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## Background

Employment in *central government* under the main General Employment Framework (GEF):<sup>1</sup>

2011: 217 379 employees

Total employment in the *general government sector* as a percentage of labour force (2012):<sup>†</sup>

13.2%

Central human resources management body:

Directorate General for the Civil Service

Government production costs (2010)<sup>††</sup>



Government centralisation (2008)<sup>††</sup>



Type of recruitment system (2010)



## Legal Framework

GEF covers all employees:	Yes
GEF includes fixed-term contracts:	Yes
Private law applicable in public sector:	No

The Basic Statute of the Public Employee is applicable to the whole Spanish public sector (state, regions and local entities) and covers both statutory employees (public servants) and contractual employees. It sets up the compulsory basic guidelines for the three levels of administration. Several GEFs exist in the Spanish public sector, there is a wide range of types of

Personnel and statutory employment is preferred. Fixed-term contracts are used which carry similar employment conditions to open-term contracts. Depending on their position, public servants are covered by either the state pension and welfare system, or the more general social security system. Dismissal rules in the public and private sectors provide some guarantees of life-long employment.

	Staff have the right:		Benefits, to which employees are entitled to, are:			Firing rules provide:	
	to unionise	to strike	Full funding of social security	Partial funding of social security	Some funding of pensions	Different guarantees about job protection / dismissal	Guarantees in favour of life-long employment
Public sector	Yes	Yes	No	Yes	Yes	Yes	Yes
Private sector	Yes	Yes	Yes	Yes	No	Yes	Yes

## Composition of Employment

Central government employment (2011)<sup>1</sup>

Total employment: 217 379 employees

Part-time employment: No data

Gender in central government (2011)<sup>2</sup>

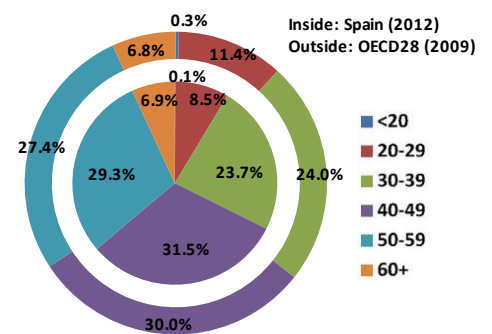
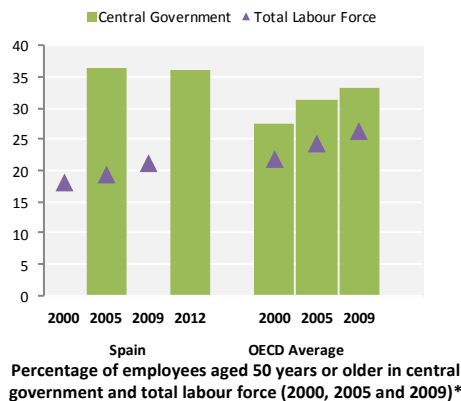
Female participation in central government workforce: 32.8%

Share of top and middle positions who are women: 36.4%

<sup>1</sup> Data are for core ministries and agencies of central/federal governments

<sup>2</sup> Data refer to National/Central Administration.

Source: Instituto Nacional de Estadística (INE) Encuesta de Población Activa (EPA).



Age structure of the public sector

Data regarding age relate to the public sector as a whole, approximately 3.04 million employees, including 637 100 part-time staff. It shows that public employment is roughly consistent with the OECD average in most age brackets. The most significant difference is found in the proportion of public employees under the age of 30, 8.6% in 2012, is below the OECD average of 11.7% for 2009. The representation of employees aged 50 or older

36.1% in 2012, is slightly above average; however, that of the total labour force is well below the OECD average. The representation of women in central government ministries and agencies, 32.8% in 2011, is significantly below the OECD average of 49.5% in 2009. However, women accounted for 36.4% of top and middle management in 2011, above the OECD average of 34.7% in 2009.

## Public Sector Restructuring

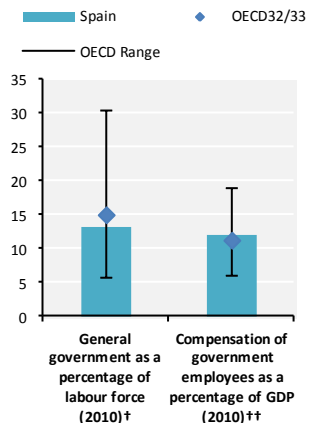
Spain is one of 27 OECD countries that reported an anticipated decrease in public employment levels as a result of planned reforms. A range of measures have been implemented in order to reduce operating costs, including: no replacement of retiring staff (10% replacement rate in Education, Health and the armed forces); a virtual recruitment freeze; salary cuts of 3-8% in 2010; a base salary freeze for 2012, with one of two bonus payments cut; and restructuring, including removal of duplicated bodies at regional and central levels. Government is not permitted to dismiss staff when it seeks to restructure and regular encouragement of voluntary departures is not undertaken. General government sector employment (excluding public corporations) as a percentage of the labour force, 13.2% in 2012, is below the OECD average of 15.1%. Compensation of public employees as a percentage of GDP, 11.9% in 2010, is at a similar rate but consistent with the OECD average of 11.3%.

### Anticipated reforms' effect on employment level:

Decrease

### Implemented changes in employment levels affecting more than 50% of ministries/agencies since 2000:

- Hiring freeze / non replacement of retiring staff
- Devolution of authority over other levels of government
- Delegation to other public or semi-public organisations
- Reorganisation / restructuring



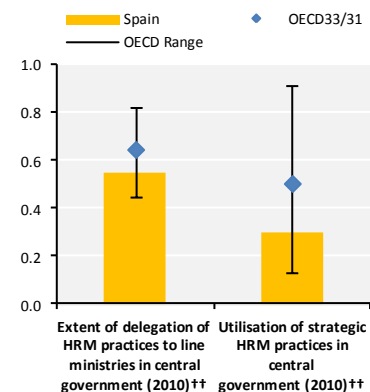
## Organisation of HR Management

### Decentralisation of HR Management

<b>Central HRM unit:</b>	Directorate General for the Civil Service
<b>Role:</b>	Responsible for defining HR policy
<b>Location:</b>	Ministry of Finance and Public Administrations
<b>Responsibilities:</b>	<ul style="list-style-type: none"> <li>• Manage HRM at central/national level</li> <li>• Provide leadership and guidance</li> <li>• Design HR strategy</li> <li>• Coordinate and supervise HR policy/strategy</li> <li>• Provide advice on legal framework</li> <li>• Design the pay system</li> <li>• Transmit public service values</li> <li>• Define and control the payroll</li> <li>• Standardise recruitment and skills profiles</li> <li>• Define salary levels and benefits</li> <li>• Provide training</li> <li>• Promote diversity</li> </ul>
<b>Personnel, budget and pay delegation:</b>	<ul style="list-style-type: none"> <li>• The central HRM unit sets and monitors the pay systems and budget allocation.</li> <li>• The distribution of posts is set centrally, with some latitude for ministries in application.</li> <li>• Bonuses are managed by ministries.</li> </ul>
<b>Classification, recruitment and dismissal delegation:</b>	<ul style="list-style-type: none"> <li>• The central HRM unit sets and monitors the post classification system.</li> <li>• Dismissal and recruitment are managed by ministries, with the central HR unit involved in the latter issue.</li> <li>• The management of individual contract duration depends on the function of the post.</li> </ul>
<b>Employment conditions delegation:</b>	<ul style="list-style-type: none"> <li>• Flexibility of working conditions, the code of conduct and equal opportunity issues are set and monitored centrally.</li> <li>• Adjustments to working conditions are set centrally, with some latitude for ministries.</li> <li>• Performance appraisal is managed by units/teams.</li> </ul>

### Strategic HR Management

<b>Existence of HRM accountability framework for managers:</b>	No General Accountability Framework exists.
<b>HRM targets feed performance assessments:</b>	Data unavailable
<b>Regular HRM assessment of ministries and departments:</b>	Data unavailable
<b>Framework requires top &amp; middle management to plan and report on:</b>	Not applicable
<b>Forward planning use:</b>	Yes, with regular, systematic process.
<b>Forward-planning horizon:</b>	4-5 years
<b>Key aspects explicitly considered in forward planning:</b>	<ul style="list-style-type: none"> <li>• New issues in policy delivery</li> <li>• Civil service demographics</li> <li>• Possibilities for relocating staff</li> <li>• Efficiency savings (for example, through e-government)</li> </ul>

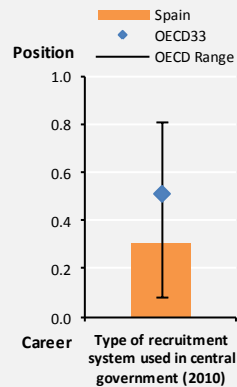


Spain delegates HRM practices to line ministries to a lesser extent than the average OECD country. The central HRM unit plays a significant role in a broad range of HRM issues, particularly the pay and post systems. In addition, it defines the statutory regime, manages labour relations and co-ordinates the annual Public Employment Offer of the state administration. Ministries are involved in many issues, but usually under the leadership of the central unit. Overall, delegation has led to broadly comparable employment

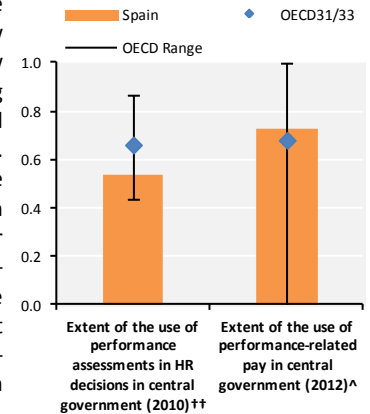
frameworks across the whole of central government. Spain makes substantially less use of strategic HRM practices compared to the OECD average. A general accountability framework for management does not exist and data is unavailable regarding the HRM issues that management plans and reports on. However, systematic forward planning is in use, and covers a wide range of aspects over a relatively long horizon.

## HR Management Practice

**RECRUITMENT:** The civil service in Spain utilises a recruitment system that is relatively career based. Entry into the specific groups of the civil service is gained through a competitive examination, which is managed centrally. A period of practical work also forms part of the entry process to the civil service. Most posts are filled internally and some are open to external recruitment through direct application. No recent action has been taken to increase or decrease the use of external recruitment. Data is unavailable regarding policies to increase the recruitment of under-represented groups.



**PERFORMANCE:** Spain makes less use of performance assessment in HR decisions compared to the average OECD country. Assessment is used for only some employees and data are unavailable regarding how assessment is conducted. A narrow range of criteria is used, including activities undertaken, outputs and cost effectiveness of work. Assessment is of medium importance to career advancement, remuneration and contract renewal. On the other hand, Spain uses more performance-related pay (PRP) than the average OECD country. PRP is used for most employees and takes the form of one-off bonuses, representing a maximum of 6-10% of base salary.



**PAY SETTING:** Data are unavailable regarding how base salary and bonuses are determined; however, they are indexed to inflation and base salary is revised annually. Educational qualifications are the key determinant of base salary for all grades, with age also of some importance. Previous salary levels and years of experience are taken into account when setting the salary of a new recruit. In addition, seniority based pay is in use.

Most important factors to determine base salary	Top Management	Middle Management	Professionals	Secretarial Level	Technical Support
Educational qualification	●	●	●	●	●
Job content	○	○	○	○	○
Ministry	○	○	○	○	○
Performance	○	○	○	○	○
Age	◐	◐	◐	◐	◐
Seniority in the position	○	○	○	○	○
Relevant experience	○	○	○	○	○

● Key importance      ◐ Somewhat important      ○ Not at all important

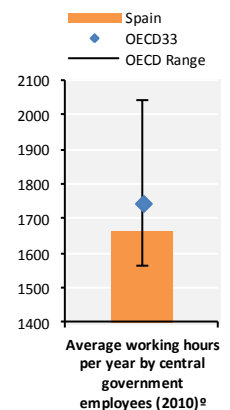
**PROMOTIONS:** Years of experience and qualifications are relevant factors in promotion decisions for all grades. To change job category, public employees need to take an examination to enter a different group, and formal restrictions on education levels apply. Openings are placed on transparent listings accessible government wide, and the HR department compiles a shortlist of candidates before selection. Disabled candidates are granted preference in the promotion selection process and specially directed information sessions are available for non-nationals.

**MOBILITY:** Internal mobility has been decreasing in recent years and there are no plans to influence the trend. Employees on external posts retain the right to return to a post in the same administrative group from which they left, and this can be the same specific post in special cases. Employees on external postings risk the loss of pension rights, and accumulation of salary and benefits, if they do not return to the civil service.

**TRAINING:** A large proportion of public servants are first admitted into a specific training school before entering the public service, which can be between one and ten months in length. On average, public employees receive 5-10 days training per year.

**WORK CONDITIONS:** The average yearly working hours in Spain, 1 663 hours in 2010, is below the OECD average of 1 745 hours. This is driven by slightly fewer weekly working hours and more public holidays. Data are unavailable regarding absenteeism in the civil service, although disciplinary measures exist to reduce it.

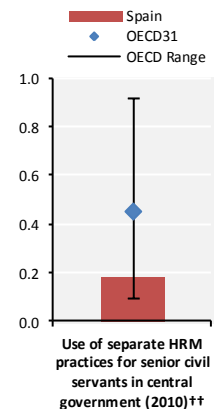
Number of regular working hours per week: 9	37.5
Average number of annual leave days per year: 9	22
Average number of bank (public) holidays per year: 9	14
Total number of hours worked per year: 9	1 663



## Senior Management

Spain uses separate HRM practices for senior civil servants (SCS) to a substantially lesser extent than the average OECD country. SCS are not considered a separate group and there is no centrally defined skills profile for senior management. More emphasis is placed on the management of performance and potential conflicts of interest for senior management. In addition, the part of their pay that is performance-related is

higher than for regular staff. Senior management are mostly recruited through career progression in the public service, although some positions are open to external recruitment. The president, ministers and Cabinet have influence over the appointment/dismissal of all levels of management. Many secretaries general turn over with a change in government, as well as a few under secretaries.



## Industrial Relations

The Ministry of Finance and Public Administrations is responsible for the development and implementation of the social dialogue. The employees' organisations are structured according to the different professional groups or according to the different sectors, such as the Workers' Commissions and the General Workers' Confederation. Civil service unions play a fairly strong role in industrial relations and are mostly funded by public funds. By law, unions must be consulted regarding working conditions, the employment framework, the code

of conduct and the right to strike/minimum service, but agreement between unions and government is not mandatory. Base salary and the employment framework are negotiated centrally, whereas bonuses and the rules on striking are negotiated at the decentralised level only. Working conditions are negotiated centrally and at department/branch level. Most public servants have the right to unionise and most are guaranteed the right to strike, except in times defined by convention.

## Reforms

After more than two years of spending cuts within the public administration budget, in 2012 the Spanish Government is to implement a reform which commits to modernising the public administrations whilst respecting the public employees' interests. The ultimate aim is to facilitate a culture and organisational structure to:

- Eliminate duplications and unnecessary expenses.

- Prevent that working conditions and public services are accountable to different governments.
- Drive a new human resources planning. This planning work is essential to achieve an effective and efficient administration operating in a context of fiscal austerity and personal income restriction.

## Challenges

The main challenge lies in maintaining the quality of public services delivery and in implementing the Basic Statute of the Public Employee, which affects the whole Spanish public sector, emphasizing professional career development and performance appraisal. In addition, there is a strong commitment to strengthening social

dialogue, especially regarding HRM issues like salaries, working time and strategic planning. Finally, the Spanish Government pledges its commitment to a major boost for a new organisational culture based specifically on efficiency, expertise and better communication between the public employee and the citizen.

### Sources

Unless indicated otherwise, all data are sourced from OECD (2010), *Survey on Strategic Human Resources Management in Central/Federal Governments*, unpublished.

\* Data for Total Labour Force from OECD *Labour Force Statistics Database*; data for Central Government from OECD (2011), *Government at a Glance 2011*.

† Data from International Labour Organization (ILO) *LABORSTA Database* and OECD *National Accounts Statistics*. See Methodological Note.

†† OECD (2011), *Government at a Glance 2011*, OECD Publishing, Paris.

~ OECD (2012), *Restoring Public Finances, 2012 Update*, OECD Publishing, Paris.

º OECD (2010), *Survey on the Compensation of Employees in Central/Federal Governments*, unpublished.

^ OECD (2012), *Rewarding Performance in the Public Sector: Performance-related Pay in OECD Countries*, unpublished.

### Further Reading

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OECD (2011), *Public Servants as Partners for Growth: Toward a Stronger, Leaner and More Equitable Workforce*, OECD Publishing, Paris.

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