

# Training & Employment

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## The individual right to training: a modest record

With an access rate of just 6.5% in 2010, the individual right to training (IRT) has not achieved the success expected of it. Moreover, the average number of hours' training undertaken has stagnated at around 20. A lack of information and support for employees may explain this limited success. After all, the mere existence of an individual right is not in itself sufficient to enable workers to avail themselves of it; the context, which determines whether or not circumstances are propitious, is decisive.

employees  
continuing training  
firms individuals IRT  
career trajectories  
work HRM

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A major innovation introduced in the 2003-2004 reform of vocational training, the individual right to training, or IRT, has now been in place for more than eight years. Today, with hindsight, we can look beyond the initial conjectures and hypotheses, which at the time combined hopes of access to training for all with anxieties about funding. However, the record is somewhat disappointing.

The IRT was intended to help employees play a part in shaping their own career trajectories. However, it has not been used sufficiently to fulfil this ambition. The ability to construct a career that includes training still seems to be heavily dependent on conditions in the employing firm, and in particular on its HRM policy.

### The expectations

'The new individual right to training [...] will provide beneficiaries with a training insurance fund' (François Fillon, public debate on the bill in the French Senate, February 2004). Statements by actors in the training system, recorded in reports supplied by the news agency Agence emploi formation (AEF) in 2003, were encouraging. It 'should make

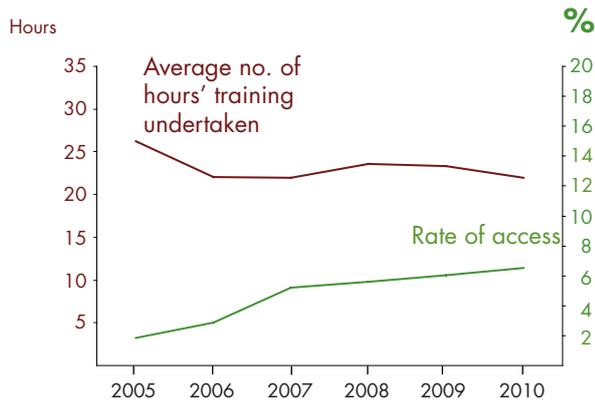
retraining easier' (Danielle Kaisergruber, chair of the board of directors at Bernard Brunhes Consultant); for Dominique de Calan, a negotiator at the UIMM, '[with the IRT] we are offering those employees who want it the means to maintain their employability'. For Jean-Claude Quentin (a negotiator with the CGT-FO trade union federation), 'a simple calculation shows that, if only 30 % of the 15 million employees took advantage of their IRT, it would be necessary to provide no fewer than 100 million hours of training' (round table organised by the Senate on 22 January 2004). The new arrangement was received with enthusiasm, to say the least.

Others expected costs to explode as a result of the planned expansion of training: 'The IRT could increase a company's expenditure on training to 4.6 % of its wages bill' (consultants from Training Orchestra). J.-P. Willems, for his part, calculated that: 'The actual provision of 20 hours of training per employee per year represents a cost greater than the 1.6% employer's training levy already in place'. *Entreprise et Carrières* asked whether 'company directors should set aside funds in their accounts to finance future training requests?'. And a headline in *Chef d'entreprise* magazine in 2007 put the following question: 'The IRT: a time bomb for SMEs?'

### Céreq's Recommendations

Promote company policies likely to encourage increased use of the IRT or transfer the IRT to the individual training leave programme.

## Evolution of the rate of access to IRT and average number of hours' training undertaken



Sources: tax returns 24-83, analysis by Céreq

At the same time, training providers saw the new arrangement as a good opportunity to boost their turnover. For Anne Rosain, from the association of independent consultants and trainers (SICFOR): *'The new arrangements (IRT, upskilling programmes, etc.) seem to be 'new opportunities' for independent consultants and trainers'*. Some organisations compiled catalogues of programmes aimed directly at workers availing themselves of their new right.

Céreq, in its *Bref* newsletter n0. 207 of April 2004, was also optimistic about the future of the new measure: *'The IRT [...] could become an object of individual but collectively organised negotiations. In this way, it could [...] make training a more common occurrence in all companies and for all employees.'*

Finally, on a less euphoric note, the National Accounting Council took the view that expenditure on the IRT remained *'a potential cost for firms, since employees may never request it and employers may not agree to the chosen training measure'*. Only *'the written agreement of both employer and employee'* converts a potential

right into a tangible reality and thus potential expenditure into actual expenditure.

By 2010, many employees had accumulated the maximum entitlement allowed under the regulations. In the years since then, some of that entitlement will have been lost, since the annual training allowance cannot be carried forward for more than six years. At a time when there is already talk of reforming continuing vocational training for the umpteenth time, how is this major element of the 2003 reform to be assessed?

## The IRT in figures

The current figures come as a something of a let-down: 6 % of employees took part in training provided under the individual right to training in 2009 (final figures) and 6.5% in 2010 (provisional figures). The average volume of training was 23 hours in 2009 and 22 hours in 2010. Taken overall, the share of IRT in all training measures aimed at those in employment is modest indeed.

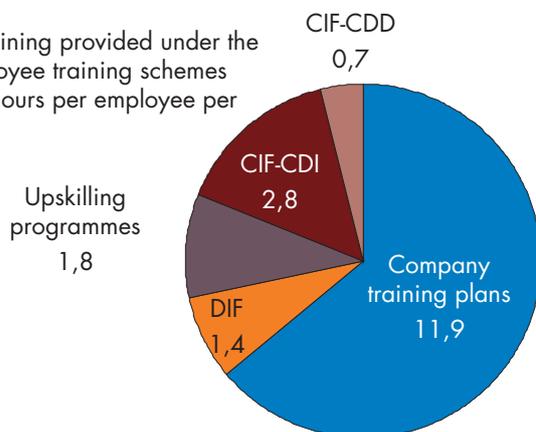
The figures for IRT had been expected to take off, but it has not been possible until now to devise a reasonable method of measurement. Firstly, it takes some time for a new scheme to be appropriated by the various actors. Optimists will take the view that even more time is required. Secondly, one of the specific characteristics of the IRT, namely the possibility of accumulating entitlements over six years, means that employees can participate in training in several different ways. Some, in consultation with their employers, may prefer to take part in frequent but short training programmes, while others may wait until they have accumulated the maximum possible entitlement of 120 hours. Thus before the sixth anniversary of the introduction of the IRT, it was still possible to point to the accumulation of entitlements as an explanation for the delayed take-off. Once this time had passed, and provided there was no loss of entitlement due to the upper limit on accumulation, the system should have been operating at 'full throttle', that is 20 hours on average per employee per year.

From this point of view, the fact that the average number of hours' training stagnated at around 22 over the period as a whole (cf. graph at the top of the page) gives the lie to the idea that workers were accumulating their entitlements in order to take part in lengthier programmes. Thus the length of training measures does not in way compensate for their relative scarcity. Moreover, the fairly short duration of the training courses is more reminiscent of the measures put in place as part of an employer-led company training plan.

The number of firms making use of the scheme seems to have reached an equilibrium point. It is true that the proportion of firms involved is declining slightly. Similarly, when their behaviour from one year to the next is

## The vast majority of training measures take place as part of company training plans

Volume of training provided under the various employee training schemes in 2010 (in hours per employee per year)



Sources : tax returns 24-83, analysis by Céreq (company training plans, IRT and upskilling programmes); annexe to 2012 Finance Bill, ESF (individual training leave for employees on open-ended contracts and individual training leave for employees on fixed-term contracts) – The data on the two employee categories come from different sources and must therefore be regarded as indications only.

examined, it is clear that a sizeable proportion of them (between 8 and 10% in the last four years) state they made use of the IRT on at least one occasion whereas they had not declared any use in the previous year (cf. the graphic below). However, this proportion of 'newly converted' firms is increasingly offset by those who, conversely, stated they had used the IRT on at least one occasion in the previous year but not at all in the current year (7% in 2009). This withdrawal from the scheme by firms who had made use of it in the past seems to suggest that we are no longer in the take-off but rather in the mature phase. And as mature phases go, it's somewhat disappointing, with only 28 % of firms involved in 2010.

On the other hand, use of the IRT is characterised by the usual differences between firms of different sizes: the rate of use is 2.2 % in firms with between 10 and 19 employees, compared with 9.0 % in firms with more than 2,000 employees. Thus it would seem that the IRT's impact has not been strong enough to make any significant change to the continuing training system in France: access rates are low, training measures short and manual workers in small firms significantly less involved than managerial staff in large groups. This is a long way from the effects this major component of the reform was expected to produce.

### An understandable initial enthusiasm

Nevertheless, the hopes awakened by the introduction of the IRT were in part well-founded. After all, its innovative nature and the number of hours that could potentially be

used for training did give rise to expectations of genuine progress.

Since 1972, the French continuing training system has been structured by the obligation placed on employers to fund it. The IRT established a new right to training for individuals. It gave rise if not to an obligation, since it merely establishes a 'right to training', then at least to the possibility of a more equitable distribution of the training effort, since every employee is entitled to request a minimum amount of training that is the same for everyone. So given that 64% of employees received no training at all in 2003, there was potentially a huge pool of beneficiaries.

The philosophy underlying the IRT positions it between individual training leave, for which employees have to apply, and training plans, which are an employer initiative. Based on an individual interview (as stipulated in Article 1 of the agreement), this alternative route inspired debates within workplaces in France on training and career trajectories.

An absence of need is the reason most frequently given, by both employers and employees, to explain a lack of training. It might be hoped, therefore, that the IRT might raise awareness of latent needs. However, while the IRT may stimulate dialogue between employers and employees, such dialogue is, conversely, an essential condition for adoption of the scheme. Ultimately, the IRT has tended to become most firmly established in companies where this dialogue already existed. In this sense, it certainly seems to complement the career development interviews (*entretiens professionnels*) that were also introduced in the 2003/4 reform. However, dialogue and negotiation cannot be established simply by ordaining a

The data for 2010

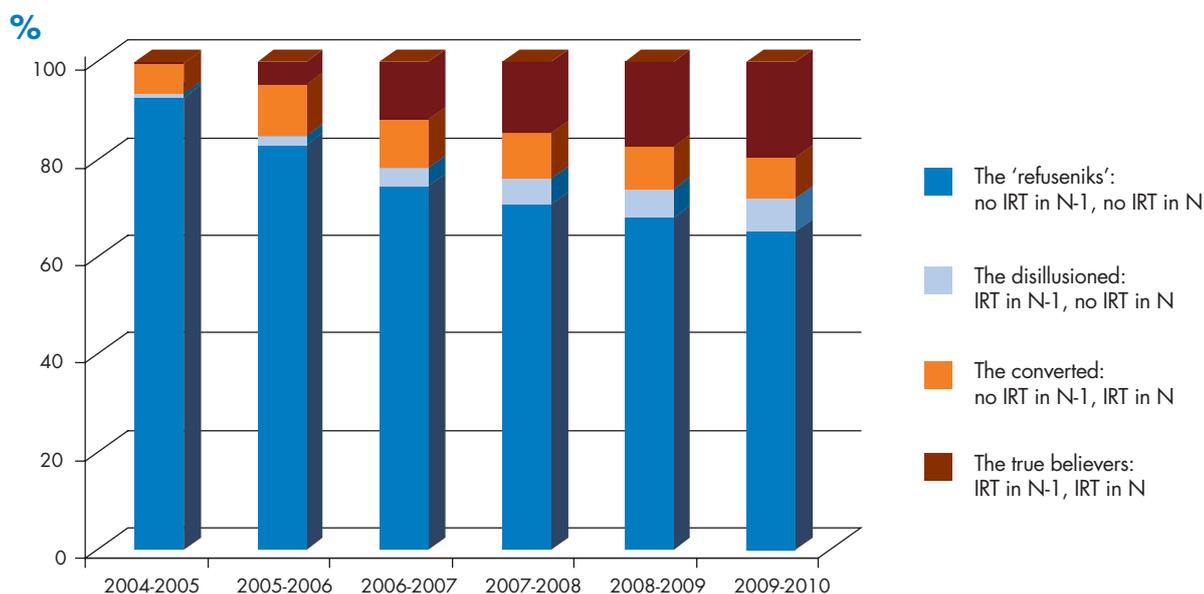
Rate of access 6.5 %

Share of firms using the scheme 28 %

Average no. of hours' training undertaken 22

UIMM • Union des industries métallurgiques et minières (employers' association in the metal processing and mining industries)

### Use of IRT in firms from one year to the next



Sources: tax returns 24-83, analysis by Céreq.

time for them, however much significance is attached to it.

The average of 20 hours per employee per year that would be available if the scheme were used to the full must be compared with the 11.5 hours per employee devoted to training in 2003. In spite of a substitution effect with training already provided (an effect that would not be automatic of course), the hours of training provided could be expected to double or even triple.

Finally, the 2003 agreement provided for the payment of compensation (equivalent to half the net wage) for training outside of working time. Take-up of this option has been virtually zero. Only 1.3% of employees took part in this 'co-investment' scheme in 2009. Consequently, France is still the European country where adults in employment receive the least training outside of working hours.

## What obstacles remain?

If the IRT can be seen as a way of equipping individuals to face the labour market, the scheme raises a number of questions.

Firstly, the IRT is subject to the employer's agreement. Consequently, its introduction is not likely to lead to any significant changes in the hierarchical relationships that exist to varying degrees depending on the firm and employee category in question. The fact that an employee whose request is refused twice is given priority access to individual training leave (ITL) has not proved to be a credible threat likely to initiate employer/employee dialogue where there is a lack of goodwill. This has led some commentators (Thierry Le Paon, of the CGT trade union federation, in the *Quotidien de la formation*) to observe that the IRT is not an opposable right.

Secondly, firms are social constructs whose management styles accord varying degrees of importance to employee information, negotiation and career development interviews. These are all factors that foster employees' ability to discuss their training and make it easier for a scheme such as the IRT to become established. Under certain circumstances, it may become more than a formal right. In other cases, its existence does not fundamentally alter industrial

## The individual right to training

The individual right to training was conceived by the social partners during the negotiations that ended in the national intersectoral agreement of September 2003. It was subsequently enshrined in law in the Act of 4 May 2004, which adopts the broad outlines of the agreement.

Every employee has an annual entitlement to 20 hours' training, which can be accumulated up to a limit of 120 hours. The aim is to facilitate employees' access to vocational training measures throughout the whole of their working lives.

One of its original features is that it is positioned between employer-led company training plans and individual training leave (ITL), for which employees have to apply on their own initiative. However, while it is up to employees to take the initiative, employers, who have to fund the training, can refuse applications. After two refusals, employees are granted priority access to individual training leave (provided the application meets the priorities and criteria set out by the FONGECIF, the fund for the management of individual training leave).

relations. In such situations, a lack of interest on the part of both employees and employer leads to training being neglected.

It is nonetheless the case that the IRT, in terms of its theoretical and legal foundations, is an interesting tool. In the firms that make use of it, it seems to be a factor in reducing inequalities of access to training.

Ultimately, its main failing is undoubtedly that it has not become sufficiently well established in those firms in which it is most required, i.e. those that provide the least training. It would appear that the reasons for not providing training are the same as those preventing the adoption of the IRT. In this regard, the preamble to the 2003 agreement gives employee representative bodies and a company's supervisory and managerial staff a fundamental role in ensuring the development of vocational training. To this end, employees are supposed to receive information about training measures and to be supported in developing and implementing their career plans. These intentions have only rarely been followed by effects. Consequently, companies today should put in place policies enabling their employees to negotiate on the development of their skills. ■

## Further reading

*Annexe au projet de loi de finances 2012, formation professionnelle, Assemblée nationale.*

*Aspirer à se former, la responsabilité des entreprises en question, M. Lambert, J. Vero, Bref n°279, 2010*

*Quand la formation continue, repères sur les pratiques de formation des employeurs et des salariés, M. Lambert, I. Marion, J.C. Sigot (coord.), Céreq, 2009.*

*Démocratiser la formation continue dans l'entreprise : le rôle de l'information, des entretiens professionnels et des supports collectifs, J.-C. Sigot, J. Vero, Bref n°260, 2009.*

*Le DIF, un outil pour réduire les inégalités d'accès à la formation, I. Marion, M. Théry, Bref n°255, 2008.*



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