

HUMAN RESOURCE MANAGEMENT IN SPAIN: IS THERE A LATIN MODEL?

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INTRODUCTION.

1. Why Speak of a Latin Model?

The invitation to speak on whether there is a latin model underlying the way human resources are managed in Spanish firms evoked in me a positive, albeit complex, reaction. For one thing, the word "model" suggested a specific way of approaching and visualizing a complex situation before tackling it. The project of building up the European Community seems to qualify as a situation complex enough to call for different models and styles of going about it. Leaving aside other aspects of the problem, not all the EEC countries enjoy the same level of economic wellbeing. In addition there are considerable differences in the rate of industrialization achieved by EEC countries. England in the U.K. and the whole of central Europe are the EEC industrial belt that is far ahead of the Mediterranean member states. The imminent application of the "Acta Unica" has further aggravated the situation. On the one hand, there will be an open, common ground on which all member states will have to compete. On the other, not all member states are equally prepared to respond to this challenge. How are they facing up to it?

It is at this point that the issue of a "model" or "style" typical of a country, or cluster of countries, takes on a special significance. And Latin countries within the European Community feel the "pinch" all the more. But this issue cannot be considered in isolation; it implies at least two other closely connected questions. Firstly, why should Latin countries be singled out and put together as the basis for a "model"? And, secondly, which European countries are to be considered "Latin"?

To begin with this last question, there are some European nations that are intuitively considered to be typically Latin. All the European regions surrounding the western Mediterranean basin formed by the eastern coast of Spain, southern France, and the whole western coast of Italy from Genoa to Sicily seem to be typically Latin. The whole of Portugal, the rest of Spain and the Adriatic coast of Italy are automatically included by extension. Two independent studies seem to confirm this view. Hofstede's data on world cultures in organizations and the 1990 Davos Report on the World Economy have also identified a set of Latin Mediterranean nations distinctly different from other European clusters such as the anglo-saxon, the germanic and the nordic.

This takes us back to the first question of whether we should concentrate on a Latin model as a special case. Yes, I think that there is a special reason to look for a Latin model. The EEC industrial belt going from England to Austria through the Benelux countries, northern France, Germany, Switzerland, is one of the most industrialized regions of the world. Latin countries within the European Community have not yet undergone the social transformations that a full fledged industrialization process entails. In this context, therefore, how Latin European countries are trying to catch up with their northern neighbours is poignantly relevant. Hence, the question: is there a common pattern in the way Latin countries are trying to cope with this difficult situation?

There seems to be, therefore, a set of countries that can be identified as "Latin" and there is some justification for such countries to be studied as a unit within the European Community. We can proceed to our immediate concern as to whether or not there is a Latin Model in the management of human resources.

2. The European Human Resources Databank.

The competitiveness of a nation depends very largely on its technological development as well as on the quality of its people. Conscious of the importance of the human aspect, Price-Waterhouse and the University of Cranfield in the U. K. developed a plan to systematically study Human Resources policies and practices in Europe for at least three years. With this end in mind, a research project was launched in 1989 by these two institutions with the collaboration of the Price-Waterhouse branches in four other countries: Sweden, Germany, France and Spain. In each country, Price-Waterhouse sought the technical assistance of one university center. IPF in Upssala, Sweden, University of Mannheim in Germany, Lyon Graduate School of Business in France, and ESADE in Spain agreed to collaborate and offer the academic support needed for the success of the project. The results obtained in this first round encouraged the organizers to extend in 1990 the same survey to five new nations: Denmark, Norway, Netherlands, Italy and Switzerland.

I shall not describe this project any further because the first speaker of this panel, Terry Lockhard, has already done so at some length.

3. The Present Study.

The data bank generated by this research project is a privileged source of information that allows us to deal with many issues in the management of Human Resources and to answer the question about the existence of a "Latin Model". Three of the ten

countries included in the Price Waterhouse-Cranfield project could be clearly defined as Latin: France, Italy and Spain.

Without forgetting that the focus of the present paper is to report on Spanish firms, I shall deal with the topic by organizing the data collected up to the end of 1990 with reference to three clusters: a Latin cluster made up of Spain, Italy and France; a Central European cluster including U.K., Netherlands, Germany (only the FRG) and Switzerland; and a Nordic cluster with Denmark, Norway, and Sweden as its components. This will be the main part of this report and will be put together as Section I. Several topics will be treated at some length under this section. For all of them the format will be the same. Data will be reported in four columns. The first column will contain the data on Spain; the second on France and Italy combined; the third on Central Europe (U.K., Germany, Netherlands and Switzerland); and the fourth on Nordic countries (Denmark, Norway and Sweden).

The reason for reporting on Spain separately from the two other Latin countries is to highlight the primary purpose of this paper, as its title indicates. Reference to the results reported in the first column will tell us of the Spanish situation in contrast to other European nations. Only after having done so, and only as an afterthought, the broader issue of the possible existence of a "Latin Model" can be tackled for the reasons already mentioned. By simply combining the results of Spain with those Italy and France (first and second columns) the "Latin" results can be compared with those of the Central European (third column) and of the Nordic nations (fourth column).

In Section II we shall first focus on the main features of the data, in order to draw some conclusions from them.

SECTION I: STATISTICAL RESULTS.

This section will deal with some of the issues thought to be crucial for HR management in the next decade in Europe. Needless to say that we shall have to be selective and concentrate only on those issues which in our opinion are the most relevant to our purpose.

1. The Place of the HR Department in the Firm.

The importance accorded to the HR department can be gauged from the number of staff working in it and from the proportion of its qualified personnel, from the influence it exerts on the firm's policies, and even from the title by which it is known. We

shall begin with the last point. Table I gives the percentage of firms in the four groups of countries in which the preferred title of the department is either Human Resources or Personnel, or some other.

Table I: Is it a Matter of Name only?

	SPAIN	FR/IT*	CENTRAL*	SCAND
Human Resources	35**	30	11	3
Personnel	49	57	75	78
Other	16	13	14	19

* FR/IT stands for France and Italy, respectively; and Central for UK, Germany (FRG), The Netherlands, and Switzerland.

** Numbers are percentages of firms using the title indicated.

The data show a consistent trend for Latin countries to prefer Human Resources as the name for the department dealing with personnel matters, while Central European and Nordic countries continue to call it the Personnel Department. Of course we may ask, what is in a name?, and leave it at that. The trend, however, may be indicative of something.

It is acknowledged that, at least in Spain, most Personnel Departments until recently were staffed by engineers and lawyers who made an excellent job in matters of recruitment, of technical formation, of labour relations, retrenchment, etc. During the last decade, however, all these problems lost some of their importance, and other issues came to the fore, like human relations, formation in organizational functions, recognition of merit, performance appraisals, quality circles, etc. Something had to be done to show that the department was aware of the changes and was ready to do something about it. That "something" was difficult to identify. At times one gets the impression that an easy way out was to change the name, with no guarantee that the change in the name tag meant a thorough restructuring of the department and the appointment of appropriately qualified staff. Engineers and lawyers continued to be engineers and lawyers, but with a new name. It is my personal impression from discussions with colleagues and from debates in international seminars, that firms in Sweden, Norway, Denmark and the Netherlands are run in way more congruent with the Human Resource concept than in Spain. If this impression has any value, the trend observed in Table I may mean more than a semantic problem. With no intention of

settling the issue, from now on we shall speak of HR department or director to refer to the personnel function regardless of the official title.

Table II reports data on the number of people working in the HR department, with a special reference to the number of duly qualified professionals. The data available do not permit us to specify what kind of qualifications are considered valid. We assume that a university degree equivalent to a Master's or to a Licentiate are accepted as professional qualifications.

Table II: The HR Department Staff

Number of...	SPAIN	FR/IT	CENTRAL	SCAND
Persons (10 +)	35*	44	42	30
Professionals (5 +)	15**	29	29	21

* These numbers are percentage of firms having 10 or more people working in the HR department.

** These numbers are percentages of firms having 5 or more professionals working in the HR department.

There seem to be no clear differences regarding the number of people working in the HR department. However, it appears that the Spanish HR departments are at a disadvantage in respect.

More than the information just given, the actual place of the HR department within the firm can be inferred from the actual influence of the department in formulating company strategy. Table III gives two important pieces of information: the percentage of firms that have the HR director on their Board of Directors, and the degree of participation of the HR director in the formulation of the company's policies from their very inception.

Table III: The HR Department and Company Policy

	SPAIN	FR/IT	CENTRAL	SCAND
Presence of the HR Director on Company Board	80*	51	42	69
Degree of Influence of HR Director in Formulating Policy	62**	50	56	57

* Percentage of firms reporting the presence of HR Director on the Company's Board of Directors.

** Percentage of firms indicating the participation of the HR Director in the formulation of Company's policy.

What stands out in the results of Table III is the similarity in the degree of influence exerted by the HR Director in formulating the firm's strategic plans and policy. At the same time, it is intriguing to note that in the Spanish firms the presence of the HR Director on the Board of Directors is higher than in any other group of nations. Does this confirm the impression commented earlier that the importance accorded to the HR department is more apparent than real?

There are too many coincidences to ignore the fact that the position of the HR department in the Spanish firms is being reconsidered. There are some indications that Spanish firms want the HR department to play a greater role, beyond what the personnel issues used to be 10 or 15 years ago; but they are still at a tentative stage. Perhaps what all this amounts to is that Spanish firms are genuinely interested to give greater recognition to the human factor, but they do not know how to go about it.

2. The HR Policies: Where are Decisions Made? How are they Implemented?

The locus of control is an important indicator of the importance of the HR department within a firm. The data of the Price Waterhouse-Cranfield survey throw some light on this issue. Items 5 and 6 of Section II asked whether decisions were made and who was/were responsible for their implementation. The gist of the question was whether decisions were made at Headquarters (National or International) or by the HR department, and whether the responsibility for their implementation lay with the line managers or with the HR director. Tables IV and V report on these two points regarding six different types of decisions to be made: expansion/retrenchment of personnel, recruitment/selection,

rewards/benefits, health/safety, industrial relations, and training/development.

Table IV: HR Policy Decisions at Headquarters

HR ISSUES:	SPAIN	FR/IT	CENTRAL	SCAND
Expansion/Reduction	65*	64	45	41
Recruitment/Selection	69	54	36	32
Pay/Benefits	81	78	68	66
Health/Safety	57	42	44	43
Industrial Relations	66	58	50	52
Training/Development	68	57	46	37

* Numbers indicate percentages of firms whose HR policies are decided at Headquarters.

It is clear that:

- in Spain two thirds of the HR Policy decisions are made at Headquarters;
- about 60 per cent of such decisions in Latin countries are made at Headquarters;
- less than 50 per cent of such decisions are made at Headquarters in either the EEC industrial belt or the Scandinavian countries.

Secondly, it is fairly consistent through all country clusters that:

- the issues more easily delegated are Health and Safety;
- decisions regarding Pay and Benefits are most often made by Headquarters.

Table V reports data on the same HR Policy issues in relation to the locus where responsibility lies. The item in the questionnaire is quite complex. The data obtained have been recast with reference to whether most of the responsibility lies with line managers or with the HR department.

Table V: Responsibility for HR Policy Implementation

HR ISSUES:	SPAIN	FR/IT	CENTRAL	SCAND
Expansion/Reduction				
Line Management	20*	8	17	22
HR Department	9**	15	8	8
Recruitment/Selection				
Line Management	12	4	8	17
HR Department	20	8	7	3
Pay/Benefits				
Line Management	30	6	8	12
HR Management	6	14	17	11
Health/Safety				
Line Management	14	15	27	25
HR Department	36	21	14	15
Industrial Relations				
Line Management	17	3	11	12
HR Department	22	49	31	27
Training/Development				
Line Management	11	3	9	16
HR Department	16	11	11	5

* Numbers indicate the percentage of Spanish firms whose HR Policy implementation lies with Line Management.

** Numbers here indicate the percentage of Spanish firms whose HR Policy implementation lies with the HR department.

The results of Table V are more complex and therefore, much more difficult to interpret. By and large, there seems to be a trend for Spanish and Scandinavian firms to rely more on the line managers for the implementation of HR policies. This trend, though mildly, appears more clearly in issues concerning Work Force Policy, Pay and Benefits, and Training and Development.

3. Recruitment and Retention: The Problem of Rewards.

This is a tricky issue because several aspects have to be taken into account as if they were one single problem. The basic issue is the probability that a firm will be able to retain suitable people after a careful selection process. In the context of the EEC today, the problem of selection and retention of

personnel is closely linked with the power of appropriate rewards for deserving people. Tables VI and VII will summarize the relevant data from the Price Waterhouse-Cranfield Project.

Table VI reports how recruitment is conducted in the various countries covered by the survey. The Questionnaire (Item 4 of Section III) elicited information regarding the groups from which managers, technical and professional people, administrative and manual workers were recruited. For the sake of simplicity, the data have been recast in three employee categories (managerial, technical/professional and administrative/manual) with regard to four different methods used (internally from among the company's own employees, by word of mouth among colleagues and friends, publicity in the newspapers and professional journals, and professional employment agencies or employment bureaus).

Table VI: Recruitment by Categories and Methods

RECRUITMENT OF:	SPAIN	FR/IT	CENTRAL	SCAND
1. MANAGERS				
- From Own Employees	58*	61	63	54
- By Word of Mouth	45	33	20	21
- From Publicity	39	58	78	83
- From Agencies	50	54	56	12
2. TECHNICAL/PROFESSIONAL				
- From Own Employees	66	52	48	39
- By Word of Mouth	45	40	34	21
- From Publicity	78	74	90	84
- From Agencies	50	41	44	3
3. CLERICAL/MANUAL				
- From Own Employees	53	52	39	41
- By Word of Mouth	27	33	47	22
- From Publicity	37	49	70	66
- From Agencies	48	37	52	49

* Numbers indicate percentage of firms in a country or cluster of countries using the method indicated to recruit people for the category mentioned in the stem.

Some interesting trends are worth noting in the data reported in Table VI. It is clear that:

- In all countries recruitment from among their own employees

is fairly stable across all categories, this trend being more clear for Latin countries, especially Spain;

- Countries in Central and Northern Europe rely much more on publicity in newspapers and professional magazines than in Latin countries, especially than Spain;
- Latin countries, especially Spain, rely more on personal contacts (by Word of Mouth methods) to recruit managers and technical/professional people than Central and Northern European countries.
- Publicity in newspapers and professional journals is the most popular method to recruit technical and professional people across all country clusters;
- Job Centres are a good source for recruitment of clerical and manual workers;
- Northern countries are not particularly inclined to use professional agencies to get personnel for their managerial and technical/professional posts.

Table VII takes up the issue of rewards. The data therein can hardly do justice to the efforts HR directors make to retain talented and committed persons by rewarding merit beyond the salary levels fixed by collective bargaining and negotiations. The data of Table VII are cast by three employment categories (managerial, technical/professional, and clerical/manual) and by the most common methods of fixing pay levels, namely, collective (i.e. national, regional, or industry-wide) bargaining, internal negotiations (i.e. within the same company or by divisions in the company or locally), and individual agreements.

Table VII: Methods for Payment Agreements

	SPAIN	FR/IT	CENTRAL	SCAND	MEAN
1. MANAGERS					
- Collective Bargaining	17*	47	24	51	35
- Internal Negotiations	26	47	43	38	38
- Individual Agreement	64	48	54	49	54
2. TECHNICAL/PROFESSIONAL					
- Collective Bargaining	36	44	28	60	42
- Internal Negotiations	41	62	48	39	48
- Individual Agreement	44	35	42	33	38

3. CLERICAL/MANUAL

- Collective Bargaining	58	55	38	78	57
- Internal Negotiations	39	64	44	33	45
- Individual Agreement	12	19	26	20	19

* Numbers indicate percentage of firms in a country or cluster of countries using each method.

Some suggestive trends are worth noting in the data of Table VII. It appears that

- across all country clusters, the most common methods for fixing pay and other benefits are: individual agreements with people in managerial positions, internal negotiations with technical/professional personnel, and national and industry-wide bargaining with people in clerical and manual workers (as can be seen from the line means);
- national and industry-wide bargaining is most common in the Nordic countries across all employment levels;
- internal negotiations and individual agreements are fairly common in Central European countries for managers and technical/professional people;
- internal negotiations and national, regional, and industry-wide bargaining is quite common in France and Italy for technical/professional and clerical/manual employees;
- all three methods are equally used in France and Italy for fixing payment for managers as is the case in Scandinavian countries, too;
- Spain has a pattern of its own: preferring individual agreements with managers, all three methods for technical/professional personnel, and keeping collective bargaining and internal negotiations for clerical/manual workers.

It is probable that the trends noted in Table VII reflect the political and cultural features of the various countries. My hunch is that countries with a well established socialist tradition like Sweden, Norway, and Denmark tend to depend more on collective bargaining for all hierarchical levels than those with a more rigid social structure. By contrast, class-conscious societies like the Spanish tend to favour collective bargaining methods for the lower echelons in the firm and individual

agreements with those in managerial positions. It is only a hunch.

4. Training and Development.

The Price Waterhouse-Cranfield questionnaire had a full section devoted to the area of Training and Development (Section V) with as many as 11 items in it, making it the third longest of the questionnaire. Here we shall report on the financial resources earmarked for training and people development and the mean days per employee spent on training programs. Tables VIII and IX report on these two issues.

Table VIII summarizes data obtained in the Price Waterhouse-Cranfield study. The format of the table has been changed to take of France's unique position in this regard. French legislation obliges firms to devote at least 2 per cent of its salary and wage budget to formation. In order to highlight this point we have put France at the far right of Table VIII.

Table VIII: Proportion of Income Spent on Training

	SPAIN	ITALY	CENTRAL	SCAND	FRANCE
Less than 1 per cent	50*	50	34	32	3
Between 1 and 2 p.c.	26	26	29	26	22
More than 2 per cent	24	24	38	38	75

* Numbers indicate percentage of firms spending the proportion of salary and wages on formation.

The results of Table VIII suggest that:

- French legislation places French firms in a unique and privileged position;
- Central and Northern European countries spend considerably more on training than Latin countries (i.e. Spain and Italy);

- the profile for Spain and Italy is surprisingly identical. Even if the number identity be a coincidence, the results confirm the similarity between these two Latin countries.

Table IX explores possible country trends in the mean number of days devoted each year to training. There are some unexpected differences between the amount of money spent on training and the annual number of days devoted to it. The results take into account three hierarchical levels.

Table IX: Average Number of Days Devoted to Training

	SPAIN	ITALY	CENTRAL	SCAND	FRANCE
1. MANAGERS:					
- Less than 3 days	17*	29	25	20	22
- Between 3 and 5 days	15	27	37	32	37
- More than 5 days	69	45	38	48	42
2. TECHNICAL/PROFESSIONAL					
- Less than 3 days	19	27	37	22	29
- Between 3 and 5 days	11	28	32	31	35
- More than 5 days	71	45	31	45	37
3. CLERICAL/MANUAL					
- Less than 3 days	32	52	62	62	50
- Between 3 and 5 days	25	26	24	24	25
- More than 5 days	43	18	14	12	26

* Numbers indicate percentage of firms conducting training programs of different periods of time.

The results show some interesting trends:

- although France had by law to spend a fairly large amount of money on training, the average number of days a year

devoted to training is not any different from other countries;

- Spanish firms consistently report higher levels of involvement across all hierarchical levels;
- all countries other than Spain have very similar profiles, France included.

The Spanish data in Tables VIII and IX show a puzzling inconsistency, at least apparently. Spanish reported less money budgetted for training, and yet, the average number of days devoted to training is greater. An obvious answer is that training is cheaper in Spain than in other European countries. However, honoraria for training are not sensibly lower in Spain than anywhere else in Europe. Another, and possibly a more acceptable answer is that most training is in-house with instructors from the company itself.

5. Influence of the Trade Unions.

It is wellnigh impossible to deal with HR issues without talking of the influence, real or assumed, of the unions. Section VI of the Price Waterhouse-Cranfield questionnaire opens with three items on unions and continues with three more questions on the type of communication established between management and employees. The design of this section seems to assume that a crucial point in an organization is whether management can maintain a two-way communication with the employees through channels other than the union.

The most important issue is the strength of the union gauged by the number of its affiliates. It is difficult to get reliable statistics. Table X gives the estimates made by the HR directors, based on partial data and well-informed guesses.

Table X: Affiliation to Trade Unions

Percentage of Affiliates	SPAIN	FR/IT	CENTRAL	SCAND
0	4*	5	10	1
1 - 25	59	50	34	3
26 - 75	24	37	35	22
75+	2	4	9	74
?	11	4	12	--

* Numbers indicate percentage of firms reporting the estimated percentage of employee affiliation in recognized unions.

The results of Table X show that the levels of affiliation are different in the three cluster of European countries. There is the Scandinavian profile with a very high union affiliation; Latin countries show a much lower degree of affiliation; and Central European countries stand somewhere in between.

To the question of whether in the opinion of the HR directors union influence had increased in the last three years, the ratios of Yes to No for the various countries were:

Spain: 4 : 1 Fr/It: 1 : 6 UK/Ger: 1 : 1 Scan: 2 : 1

Substantial differences appear quite clearly across country clusters. France and Italy report a waning influence of the union on the way the firms are run. For every one who reports an increase in influence there are 6 who say that the influence is less. At the other end, there is another Latin country, Spain, in which for every one reporting a decrease in union influence there are four who say that the influence has increased. Northern and Central European countries reveal a fairly stable situation during the last three years.

Comments by Spanish HR directors on these results pointed to a paradoxical state of affairs in their companies. They all shared the impression that unions had lost credibility in the eyes of the employees, and yet there was no gainsaying the fact that at the bargaining table (and in the political arena, too) unions had a lot of clout.

SECTION II: OBSERVED FEATURES AND SUGGESTIVE TRENDS.

It is not easy to pull together the strands present in the reported data. Obviously, we cannot comment on every single aspect of each table. I shall have to confine my remarks to the Spanish data, in order to pave the way for a discussion on a "Latin Model". I shall mention only five features.

1. The Professionalization of the HR Department.

First of all, I have sensed a surging determination on the part of top management and HR directors to duly recognize the importance of the HR department within their respective companies. This inference comes from the high percentage of firms (80 per cent in Spain) having the HR director as a board member as well as the HR growing involvement in framing company policy.

However, much remain to be done. Although in Spain firms reported the highest percentage of HR managers on the Board, their actual participation was not the highest. Actually, Spanish HR directors have the lowest proportion of influence in relation to their presence on the Board. This can be ascertained by calculating the "participation to presence" ratio from the data of Table III. The ratios for the various country clusters are:

Spain: .77 Fr/It: 1.00 Uk/Ger: 1.00 Scan: .83

From these indices it can be inferred that presence on the Board is not always a guarantee of participation in its decisions. Perhaps the important point to retain here is that in any case presence with less influence is indicative of some ambiguity: on the one hand, there is the wish of promoting the HR department, and on the other, there are some lurking reservations and doubts.

In other words, there is a need for a professionalization of the HR function. All within the company seem to want it. Albeit falteringly the first steps have already been taken.

However, there is one serious obstacle on the way: the acknowledged deficiency of properly qualified people in the HR department. Personnel Directors do not automatically become HR experts by a name swap. Education, attitudes and mentality die hard and are not easily amenable to change. Talent is in good supply; properly molded and trained talent is a scarce resource. Until very recently, few Spanish universities were interested in the problem. Consequently, one could not expect to get managers with a Human Resource mentality, strongly grounded on industrial psychology and sociology, organizational science, statistical methodology, and the like.

2. The HR Department: a Department under Pressure.

The information contained in Tables IV, V, VIII and IX confirms the ambiguous situation of HR departments in Spanish firms. Table IV dealt with the centralization of HR Policy decisions away from the HR department; Table V indicated that the major responsibility in HR Policy implementation lay with line managers rather than HR personnel; and Tables VIII and IX reported on the budget and mean number of days annually devoted to training.

Much seems to be expected from the HR department. Yet, its low budget and meagre organizational power give the impression that the department is expected to perform a task for which it is not well equipped. It is a professional version of living beyond one's means.

3. A Personalized Approach to Managers

The most common methods of recruitment for managerial positions and of rewarding managers used in Spanish firms suggest the importance for top management to deal directly and in a personal (secretive?) way with their immediate subordinates in senior and middle management positions. They must be made to feel that they are special and that they are under the direct supervision of top management.

When vacancies occur, it is better to go to a friend for a suitable candidate than to announce it in the newspapers or in professional journals. It is all the more personal, making it appear like a favour or a sign of appreciation. Similarly, when annual salary revisions are to be made, it is important that top management deal directly with each the senior or middle manager. The hidden message seems to be: "It is not the company as such that rewards, but the top superior who in his benevolence personally wants to show approval and personal care for the subordinate". Conversations must be short, mysterious as to the objective criteria used, and always with a touch of trust and confidentiality.

Three consequences accrue from this way of dealing with people in managerial positions: the importance of a personal touch, the perpetuation of a sort of "hierarchical class mentality" in organisations, and a strong personal dependence on those who wield power and are in positions of authority.

A feature not to be missed is that all these transactions are always done orally, and very seldom committed to paper. It is a sort of gentleman's agreement with the implicit warning that as is graciously given, it may be unceremoniously taken away.

4. The Unions' Influence.

The paradox of low affiliation and strong power has already been mentioned in connection with the data of Table X. One wonders whether the high degree of influence exerted within companies and the low credibility accorded to union leaders by a vast majority of employees may not be explained by the demagogic methods often used. To listen to Labour Day manifestoes and speeches takes one back to the 19th Century way of thinking and stating problems. They are obviously out of touch with current realities.

If my observation is correct, demagogic statements are seldom written, and are mostly meant for oral communication before large audiences. Messages must be delivered with much passion. It is a way of wielding power without formally written and signed commitments. If my observation is correct, it is another point to

show the importance of the spoken word in relations among various groups within a company.

e. The Ambiguous Power of the Spoken Word

The last observation I want to make in the effort of highlighting important features in the way HR matters are managed in Spanish firms is the acknowledgment of whether there is an official Company Mission and Strategy and HR policy, in writing or not. Table XI gives this information.

Table XI: Percentage of Firms with Stated Policies

	SPAIN	FR/IT	CENTRAL	SCAN
Written Statement of Company Mission Available	42*	39	55	75
Statement of Company Policy Available, but Unwritten	36	33	24	12
No Company Mission Statement	13	15	14	9
Written HR Policies	40	31	44	68
Unwritten HR Policies	40	43	33	20
No HR Policy Statement	15	13	19	10

* Numbers indicate percentage of firms having or not having written statements of Company or HR Policies.

The results of Table XI show a fairly consistent pattern:

- Very few companies in European countries admit to the inexistence of official policies;
- Most European countries acknowledge the existence of official policies with as many saying that they are in writing as stating that they are unwritten.
- Scandinavian countries show a definite preference for having official written policies.
- Unwritten policies are slightly more common in Latin nations than in Northern and Central European countries.

A question worth raising is about the relative effectiveness of written and unwritten policy statements. Written statements exert influence by the clarity of their ideas and carefully worded formulae; but in a way they bind people in authority to a definite course of action publicly known and acknowledged. On the other hand, unwritten statements are presumably known by everybody, but they are binding to the extent that the legitimate authorities would like to apply them. So, the power of their application or no application rests with the person in authority. If this is so, Scandinavian firms may have a more objective authority structure, while Latin firms will tend to depend more on the manager's personal style of exerting power.

Along these pages I have indirectly and vaguely hinted at the probability that Spain be a oral culture. Personally I feel that Spain has an oral culture. Spaniards think well and rapidly; they are intuitive and mentally alive. They are impatient with long logical deductions. Their mental rhythm is more likely to express itself through the spoken word than the written sentence. Spaniards may be more inclined to communicate orally the very same ideas Americans publish in journals. The American saying "Publish or Perish" in Spain should run thus: "Speak much and as rapidly as you, or Perish".

CONCLUSION: Is there a Latin Model for HR Management?

Although the focus of the paper was on the Spanish firms, the title implied that Spanish data would fit into a pattern that might be recognized as common to Latin countries. At the end of this long journey, we should pose the question: Is there a Latin Model in the management of human resources?

A tentative answer may be that there seems to be some slight evidence for the existence of such a model. Its features may not very clear or very consistent across all Latin countries; some may be even contradictory. However, if I were pushed to outline the main features of a Latin Model, I would very briefly emphasize the following points:

- a great challenge to modernize and professionalize the HR department;
- ambivalence in wishing with some reservations that HR departments play a more important role in the running of the firm;
- the need for HR professionals with a thorough grounding in organizational science and a full understanding of the psycho-social implications of organizational issues;

- a great dynamic potential of an oral culture because of its forthrightness and direct contacts among people;
- the presence of subtle hierarchical structures in firms with emphasis on:
 - . a docile and dependent attitude towards authority;
 - . a certain undefined vagueness about policy with the recognition of its existence, and the uncertainty of when it is to be applied.
- the mounting pressure for a more efficient and effective use of resources by
 - . a more candid and transparent exercise of authority,
 - . a greater emphasis on collaboration among people.

In conclusion, a key issue for employers and employees alike in Spain, and perhaps in other Latin countries too, is the realization that social and organizational structures are primarily meant to bring and keep people together in order to achieve a set of objectives. This means that such structures are not ends in themselves nor are they obstacles to put up with. Rather, they are institutions to be looked upon as "helpful instruments" to provide properly qualified and committed people with an atmosphere of professional work and healthy human relations. Neither rigid bureaucracies, nor anarchic explosions of enthusiasm are an adequate answer to the serious problems firms have to face all over the world. This is true everywhere, but I dare suggest that Latin countries seem to be in greater need of revising their views and unconscious assumptions on the relationship between individuals and organizations.