

Higher Education in ‘Business Administration’ in Spain: Adapting to the European Area of Higher Education*

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Abstract

In this paper, I analyse the steps taken in Spain to converge before 2010 with the framework set out by the ‘Bologna Declaration’ and the principles that govern the ‘European Area of Higher Education’. In particular, I refer to the studies in ‘Business Administration’. Existing regulation requires full integration of the Spanish higher education system with the ‘European Area of Higher Education’, having regulated the general aspects of the process. Taking this regulation as a starting point, I will refer to the general principles that are being used to design the new curricula required in the different degrees existing in the area under analysis, as well as the subjects, modules and areas to be studied. I will also analyse the specific, generic and transferable competences that will be acquired by future graduates.

Keywords: ‘Bologna Declaration’, ‘European Area of Higher Education’, ‘Tuning Project’, ‘Business Administration’, ‘competences’, ‘undergraduate and postgraduate’

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1. Higher Education in Spain within the framework of the ‘European Area of Higher Education’

As it is well known, the starting point of the process to achieve an integral harmonization of the European higher education system was the ‘Sorbonne Declaration’ of 1998, which started a programme of convergence across different national European systems of higher education, using as a platform the ‘Bologna Declaration’ of 1999, which was signed by the Ministers of Higher Education of 29 European countries, Spain included. This declaration was followed by several others: Prague 2001, Barcelona 2002, Graz and Berlin 2003, Bergen 2005, up until the more recent London 2007, that was signed by 46 Ministers. This process demands the adoption of a single comprehensive and comparable system of degrees across Europe that improves the employability of European citizens and improves the international competitiveness of the European education system. The deadline to converge with this ‘European Higher Education Area’ is 2010. The ‘Bologna Declaration’ particularly emphasizes the need to structure higher education into two separate cycles: a first one conducive to obtaining a degree, and a second one destined to obtain a postgraduate degree, establishing systematic quality evaluations and implementing Diploma Supplements.

At the same time, and within the European Union framework (Socrates Programme) several other initiatives have also appeared, amongst which we may mention the Project *‘Tuning Educational Structures in Europe’* (González and Wagenaar 2003), that constitutes a basis for the implementation of university degrees under a new perspective that emphasizes (i) the development of generic and specific competences in the area, (ii) the use of the ECTS method not only as a transfer but also an accumulation system; and (iii) quality assurance and focus on learning, qualification and performance.

In Spain, the Universities Organic Law of 2001¹ ordered the full integration of the Spanish higher education system into the ‘European Area of Higher Education’. Thereafter, several Government Regulations were passed in relation to the final

¹ The reform of this Law in 2007 emphasized the integration of Spanish higher education into the European Area of Higher Education.

structure of the undergraduate degrees and postgraduate degrees (masters/doctorate), ending up with the regulation of 29 October 2007 that currently applies:

(i) Bachelor (undergraduate) degrees: general knowledge relevant to the labour market:

- The degrees pertain to one of the following areas of knowledge: a) Arts and Humanities; b) Sciences; c) Health Sciences; d) Social Sciences and Law; e) Engineering and Architecture.
- Basic knowledge in each area: 60 ECTS (minimum of 36 within own area). Table 1 below shows, as an illustration, the basic subjects for the ‘Social Sciences and Law’ area.
- Total ECTS: 240 (basic knowledge, compulsory and elective subjects, seminars, internships, supervised research projects, dissertations, other activities).

Table 1
Basic subjects: Social Sciences and Law

Anthropology
Political Science
Communication
Law
Economics
Education
Business
Statistics
Geography
History
Psychology
Sociology

(ii) Postgraduate degrees: (I) Master: advanced knowledge relevant to the labour market or providing initial research training.

- Total ECTS: between 60 and 120 ECTS (compulsory and elective subjects, seminars, internships, supervised research projects, other assessed activities and final Masters dissertation of between 6 and 30 ECTS.)

- Regulated professional activities (i.e., Chartered Accountant): will take into account both national and European regulations.

(iii) Postgraduate degrees: (II) Doctorate: research training

- Doctorate programme: period of training (Master) and supervised research.

The implementation of this new structure, adapted to the ‘European Area of Higher Education’, is already underway. Several Spanish universities, such as my own university: the Autonomous University of Madrid has already started experimental ECTS groups. However, the majority of the Universities will first implement this system in the next academic year 2008 – 2009 or in 2009 – 2010.

It is unnecessary to insist on the difficulties that such a change represent: lack of physical and technological means in different centres; traditional views from both lecturers and students, adapting to new means and styles of learning and teaching; embracing new objectives such as employability, the removal of an intermediate degree (*Diploma*, three year degree) that exist in many fields (e.g., Engineering and Business Administration); restructuring the degrees in terms of contents and subjects, the requirements to submit the new degrees for evaluation by a specialized Governmental Agency, etc. All these difficulties encountered in the process explain that, despite our wishes that the harmonization process be completed soon, both the Government and the Universities have come to many dead alleys. After many debates that have preceded this moment, we have reached the time when we must fully face the implementation stage if we are to meet the established deadline, which requires convergence with the ‘European Area of Higher Education’ by 2010.

2. Some Spanish studies on the degree of ‘Business Administration’ within the ‘European Area of Higher Education’

Against this previously explained background of European developments and full adoption in Spain, different initiatives were started in several university and professional sectors of the country to study the existing situation, aiming at building knowledge that will permit undertaking the reform in the best possible way. Some of

these initiatives refer specifically to ‘Business Administration’ studies. We refer to them in this section. In the next section we will review the specific actions already underway in Spanish Universities.

2.1. The AECA Study

Given the employability objective that was highlighted by the ‘Bologna Declaration’, the Spanish Accounting and Business Administration Association (AECA)² promoted a study about higher education in ‘Business Administration’ (García and Vico 2004) that analysed to what extent the different subjects of the degree are well adapted to the demands of the labour market.

We should mention that, according to the study promoted by the Minister of Science and Education on the ‘*Social demands and their influence in the planning of degrees in Spain*’ (Fundación Universidad Empresa 2005), the degree with the highest demand by Spanish companies was precisely the one we are referring to in this paper, as shown in Table 2 below:

Table 2
University degrees demanded by Spanish companies

- Degree in Business Administration	39,9%
- Degree in Law	27,8%
- Degree in Economics	23,7%
- Industrial Organization Engineer	23,7%
- Electrical Engineer	19,6%
- Diplomado (3-year degree) in Business Administration	18,2%
- Forest Engineer	17,6%
- Technical Engineer (Diplomado) Public Structures	14,2%
- Degree in Psychology	13,5%
- Technical Engineer (Diplomado) Electrical	10,8%

Source: Fundación Universidad Empresa (2005)

² This association has over 4.000 members, 500 firms and 3.500 individuals, managers, independent professionals and academics. Founded in 1979, its main aim is to contribute to the development of research in business studies and to improve the management and information systems of Spanish firms.

The study undertaken by AECA starts by researching into (i) the existing higher education degrees offered by Spanish universities and (ii) the jobs demanded and advertised by Spanish firms. Using this information, the study analyzes how well the content of the studies of the degree in 'Business Administration' respond to the demands of the labour market. Based on this analysis, the study proposes new curricula that would be better adapted to the requests of the labour market, considering also the specific, generic and transferable competences of the degree.

To develop their proposal they examined, first, the curricula offered by 47 different universities. They structured the subjects in 11 areas. Second, they analysed the ads (400) placed by Spanish firms in the best known Spanish newspapers during the third trimesters of 200 and 2001, to systematize the type of jobs that were being offered, and thus, the demands of the labour market. These job offers were finally classified into 4 separate categories of employment. From this information, to determine the relative weights of each of the subjects of the structure in terms of their relevance to the labour market, they requested the opinion of academics with over 8 years of experience (3 in the subject) as well as that of business professionals working in each of the 4 different employment categories (110 total).

The competences that are inherent to the degree of 'Business Administration' are as shown in Table 3 below. Table 4 shows the list of subjects and their corresponding relative weights and the types of employment.

Table 3
Competences

<u>Specific</u>	<u>Generic/Transversal</u>
<p><u>Technical</u></p> <ul style="list-style-type: none"> • Accounting • Finance • Marketing • Organization/ Human Resources <p><u>Environment</u></p> <ul style="list-style-type: none"> • Economics • Law • Sociology • History <p><u>Instrumental</u></p> <ul style="list-style-type: none"> • Math/Statistics • Computer Systems 	<ul style="list-style-type: none"> • Foreign Languages • Oral and written expression • Creativity and innovation • Communication capability • International environment • Critical thinking • Adapting to change • Work in group/under pressure • Time management • Ethical values <p><u>Transferable</u></p> <ul style="list-style-type: none"> • Internships • Real environment simulation

Table 4
Academic structure relevant to the labour market

<u>Subjects</u>	<u>Employment types</u>
<p><u>Technical</u></p> <ul style="list-style-type: none"> • Accounting (13,4%) • Finance (11,9%) • Marketing (13,8%) • Organization (17,9%) <p><u>Environment</u></p> <ul style="list-style-type: none"> • Economics (9,1%) • Law (7,9%) • Sociology (8,3%) • History (1,0%) <p><u>Instrumental</u></p> <ul style="list-style-type: none"> • Math (6,0%) • Computers (5,8%) • Languages (4,9%) 	<ul style="list-style-type: none"> • Accounting-Finance • Marketing • Organization • Global

2.2. CONFEDE White Book

The Conference of Business and Economics Faculties Deans³ prepared a ‘White Book of undergraduate studies in Business and Economics’ (CONFEDE 2004), in collaboration with several business and professional institutions. This report was later adopted by the Government specialized Agency (ANECA) as a fundamental starting point. The report, that starts with an introductory section that provides international, historical and statistical comparisons, and after analysing the labour market success of university graduates in the previous five years, arrives to a proposal for the curricula of the degree in ‘Business Administration’ that is very similar to the one proposed by AECA and that we just reviewed above, since there are no differences in the proposed subjects and there are very minor differences in relation to their associated weights. The same thing can be said about the competences analysed.

After examining the existing postgraduate studies, the report discusses potential postgraduate degrees at the Masters level that could be offered in the context of the ‘European Area of Higher Education’, although it limits the discussion to the most consolidated degrees, perhaps because they previously were specialized degrees such as ‘Market Research Techniques’ or ‘Actuarial and Financial Sciences’, or perhaps because they were associated to European Union regulated professions, such as that of ‘Chartered Accountant’, or even perhaps due to the depth of the existing market demand for those degrees, as is the case with International Business, Business Tax or Business Management

2.3. Other studies

Aside from the previously mentioned studies, there are several other reports that deal primarily with the job market success of university graduates in general (Accenture 2001; Fundación Universidad Empresa 2005; ANECA 2008), or of graduates of Business and Economics Faculties (Marín 2008), and the relationship between university and the business world (Accenture and Universia 2007). We can conclude that these studies reach similar conclusions to the other studies that were previously

³ In Spain, there are 75 university centres of this nature, 54 public ones and 21 private.

reviewed, so we will not refer to them in further detail, aside from mentioning their existence.

3. Implementation of the degree in ‘Business Administration’ in Spanish Universities.

In this section, we will refer first to the undergraduate studies (degrees), and then, to the postgraduate studies (masters and doctorates).

3.1. Undergraduate studies

We should start by highlighting the fact that it would be more correct to refer to the set of undergraduate degrees in ‘Business Administration’ rather than to a single degree. To this date, we know of several undergraduate degrees that will start next year in Spanish Universities. Aside from the degree in ‘Business Administration’, we can also mention several others: a degree in ‘Tourism’, a degree in ‘Accounting and Finance’, and yet another in ‘Human Resources Management’.

The degree in ‘Tourism’ originates from the existing university three-year degree (Diploma) ‘*Diplomado* in Tourism’ that exists since the sixties in the professional sector and that was incorporated to the university in the nineties. The degree in ‘Human Resources Management’ also has a professional origin, and is also currently a *diploma* (three-year degree) that was originally oriented towards the social and legal issues of work forces, and that in recent years has moved towards the business management of human resources. Lastly, the degree in ‘Accounting and Finance’ is a more recent initiative, inspired in existing practices in many UK Universities, and that some Spanish Universities have recently started.

Notwithstanding the previous discussion, given that the degree in ‘Business Administration’ is the common-place degree in this field at Spanish universities; we will focus on that degree in this section, although we should mention that the general aspects of our discussion apply to any of the aforementioned degrees.

Even though each university has full autonomy to prepare their curricula, the fact that the curricula is evaluated by the Government specialized Agency (ANECA), generates a

certain tendency to follow the guidelines established in the ANECA White Book. The details that follow refer to the project currently underway at the Autonomous University of Madrid. Thus, the projects at other Spanish universities might be slightly different, although not too different, in particular with reference to the basic knowledge and compulsory subjects, and of course, to the number of total ECTS that, as was previously noted, have to add up to a total of 240.

The content of the studies resulting in the award of a degree in ‘Business Administration’ is structured in the five separate modules that we detail in Table 5 below, where we also show the areas that pertain to each of these modules, areas that are, in turn, split into different subjects, over which we will provide some details, but only as examples.

Table 5
Modules and Areas

Basic Knowledge	Quantitative Methods	Economic Analysis and Business Environment	Business Administration	Professional Profiles
60 ECTS	21 ECTS	33 ECTS	66 ECTS	60 ECTS
Statistics Law Sociology History Economics Communication Business (principles, accounting) Math, Computers	Statistics Econometrics Math	Economics (micro and macro) Business environment (economic, commercial, tax)	Business (accounting, finance, organization, marketing)	<u>Functional:</u> Accounting, Finance, Marketing, Organization <u>Transversal:</u> International, Innovation, Corporate social responsibility ----- Internships Dissertation Others

Regarding the specific subjects, we provide as an example in Table 6 below: a relation of the subjects of the area of knowledge of ‘Accounting’, distinguishing between those subjects that are compulsory and those that are elective (associated with the Professional Profiles module).

Table 6
Accounting Subjects

<p><u>Compulsory:</u> Introduction to Accounting Financial Accounting Management Accounting Financial Statements Analysis</p> <p><u>Elective:</u> Consolidated Financial Statements Auditing Budget control Accounting Information Systems Tax accounting International Accounting Others</p>

What we have detailed in this section, in terms of modules, areas and subjects, is not a drastic change from the previous system, although perhaps, it is slightly better structured and links better with the demands of the labour market. However, what would represent a vast improvements is the focus on competences if we manage to pass on not just facts to the students, but also knowledge, and particularly know-how that not only relates specifically to ‘Business Administration’, but that can, more generally, be transferred to any field of knowledge.

3.2. Postgraduate Studies

We briefly mentioned the guidelines set out in the White Book with respect to the postgraduate studies in our field of study. Given that this is a process currently underway and that there is wide flexibility and autonomy to develop or not programmes of this nature, it is not easy to have a global knowledge that permits discussing in detail the state of the question. We can say that, currently, there are many programmes that have been approved by ANECA or that will soon be approved and that offer degrees at the Master and Doctorate level with the following denominations: Actuarial and Financial Sciences, Research Market Techniques, Business Administration, Accounting

and Finance, Auditing and Capital Markets, Economics and Finance, Economics and Innovation Management.

With regards the Autonomous University of Madrid, the Masters and Doctorate Programmes structured in accordance to the guidelines of the 'European Area of Higher Education' in the field of 'Business Administration' are as follows: Economics and Innovation Management (Across-Universities and currently underway), Accounting, Auditing and Capital Market (Across Universities and starting in 2009), Business Administration (starting in 2010).

4. Summary and conclusions

Taking the basic guidelines established by the 'Bologna Declaration' and that constitute the principles that govern the 'European Area of Higher Education' as a starting point, in this discussion, we have presented in a summarised way the steps taken by Spanish Universities to converge with the European Higher Education Area within the given deadline of 2010. Current Spanish Universities Law requires full integration of the Spanish higher education system with the 'European Area of Higher Education', whilst later regulatory efforts by the Government set out the basic guidelines to design the undergraduate and postgraduate degrees. The duration of these studies has been set using ECTS: 240 for the degrees, between 60 and 120 ECTS for the Master degrees. The subjects to be taught in each of the basic knowledge areas and the need to evaluate the curricula of the degrees have also been regulated.

We have discussed the existence of a diversity of undergraduate degrees in the area under analysis. However, the most well-known and generalised across Spanish universities is the degree in 'Business Administration'. This last degree will consist of five modules: basic knowledge, quantitative methods, economic analysis and business environment, business administration and professional profiles. We have also discussed the areas that integrate each of the modules, and, as an example, we have shown the subjects that compose one of the areas. In addition, we have shown that the focus on competences should represent a vast improvement with respect to the prior system. Finally, we have mentioned the existence of some Master and Doctorate programmes

already adapted to the 'European Area of Higher Education' and that are either underway or will be in 2009 or 2010.

Given the rapid adaptation to the regulatory changes of 2007 and subsequent governmental regulations, it is perfectly possible that by 2010, the degrees offered by Spanish universities will be fully adapted to the guidelines set by the 'European Area of Higher Education'.

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