

STUDY OF FACTORS FOR EFFECTIVE INTERACTION IN THE CHAIN "HEI – EMPLOYER"

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Abstract. The study has proved that the higher education institutions of Ukraine, which carry out training of qualified specialists for all sectors of the economy, are not full players in the labor market. Lack of coordination and cooperation between employers and HEIs leads to the formation of an inefficient model of competences of future specialists and makes it impossible for them to quickly adapt to the business processes of the enterprise. The article substantiates the expediency of introducing dual education and competence-based learning while training specialists in the national HEIs and using affiliate marketing tools for building effective interaction between higher education institutions and employers.

Keywords: higher education system, labor market, competence-based learning, dual education, interaction in the chain "HEI - employer".

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Introduction

The labor market in Ukraine and recruitment companies require that the job seekers, in addition to a high level of professional training, possess a number of specific competences. The reform of the national higher education system that is getting primarily competence-oriented, unfortunately, does not allow higher education institutions (HEIs) to become a full player in the labor market. This is due to a number of objective and subjective factors, the most significant of which is that the results of training specialists by Universities do not coincide with the expectations of the employers, and the graduates do not have sufficient level of practical training, which makes it impossible for them to quickly adapt to the business processes of the company-employer. Solving these problems involves, in addition to introducing competent-oriented training and improving the practical training of students, using affiliate marketing tools for building interaction between HEIs and employers.

The results of the study

In most cases, when a university graduate gets a diploma and his first job, he faces a number of difficulties, in particular, the practical implementation of the acquired competences and challenges of rapid adaptation to the internal corporate and organizational culture. This applies to both graduates of public and private universities. In this connection, the topical

question arises: what causes the mismatch between the training of specialists by the Higher School and employers' requirements? In addressing this question it is advisable to first assess the situation on the market of educational services of Ukraine.

According to statistics, at the beginning of the 2016/2017 academic year, there were 657 higher education institutions in Ukraine and at the beginning of the 2015/2016 academic year - 659 (fig. 1).

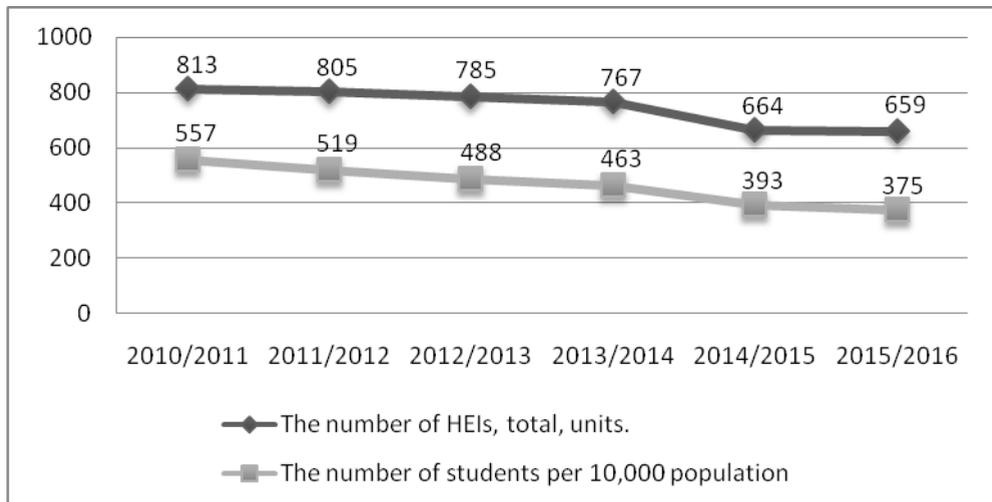


Fig. 1. Dynamics of the number of HEIs in Ukraine and number of students per 10,000 population

Source: Official website of the State Statistics Service of Ukraine, 2017

According to the plan of higher education reform, Ukraine needs to reduce the number of HEIs to 217. The main criteria for assessing the performance of HEIs are their professionalism in training specialists and feasibility of their functioning. The implementation of reforms by the Ministry of Education and Science of Ukraine led to a reduction in the burden on teachers in the context of eliminating unnecessary bureaucratic, "paper" work, as well as strengthening the fight against corruption and academic ill-manner (plagiarism). HEIs' cooperation with the employers and their greater autonomy in dealing with issues of local character is critical to the effective reform of higher education. This, in turn, may be achieved, to some extent, by decentralization.

No less important are the reforms in secondary education. In particular, it is planned to revise the primary school curriculum, followed by its relief, and to transit to 12-year secondary education following the example of Western countries. (Kwit, 2015). On the other hand, external study, individual and distance learning are the forms of learning that are becoming increasingly popular among Ukrainians. According to the Constitution of Ukraine and international legislation, parents are responsible for the child's education and can do it in a traditional manner (in school), and by applying modern methods: remote or home education (parents alone or through tutors). In Ukraine, thousands of children have changed school for home schooling and master all subjects of the curriculum at home at a convenient time, but each month they must demonstrate their knowledge to the teachers of the school, to which they are attached. This will give them the opportunity to not only pass the final external

independent evaluation and obtain a certificate, but also to use the school library and to communicate with teachers (Meest-Online, 2017).

An important step in reforming the current system of higher education in Ukraine is the realization of the National Action Plan for 2016-2020 on implementation of the National Qualifications Framework (NQF). The National Qualifications Framework is a key instrument for lifelong learning.

The National Qualifications Framework (NQF) is a systematic and structured by the competences description of the qualification levels. It is intended for use by Executive authorities, institutions and organizations implementing the state policy in the sphere of education, employment and socio-labor relations, educational institutions, employers, other legal entities and individuals for the development, identification, correlation, recognition, planning and development of qualifications.

According to the Minister of Education and Science of Ukraine L. M. Hrynevych, the National Qualifications Framework is a tool that binds the education system to the labor market. It also helps to understand how a person would progress in lifelong learning, and therefore the content of this framework will significantly affect the formation of Education Standards (Hrynevych, 2016; Zakharchenko, 2015). For a comprehensive solution to the problem of introducing the National Qualifications Framework, it is necessary to adopt the Law of Ukraine "On Education", which involves the creation of inter-institutional platform for filling the NQF - National Qualifications Agency, which has to unite education system and labor market.

It should be noted that these measures, despite their being essential for the improvement of higher education in Ukraine, proved to be insufficient. To form a set of competencies that will be required by the employer in a few years, both the students and young specialists – graduates of HEIs, must not only constantly learn, but also improve their knowledge and skills and use them in practice.

Nowadays, the Internet offers a huge number of online courses, blogs, social media, free e-books, webinars, which provide a great opportunity to expand knowledge. On the other hand, technological advances and quick access to information on the Internet leads to the rapid aging of information and an increase in employers' requirements to the job applicants. The system of higher education in Ukraine remains academic, conservative and static. Consequently, graduates, as a specific HEIs' product, do not meet the needs and requirements of employers. The combination of professional competencies and personal qualities of young professionals coupled with the art of communication and rapid adaptation to business processes is crucial for employers. That is why, in the course of training, national Universities should not just equip students with a set of professional competencies, but above all, teach them to use the acquired knowledge, that is to perform specific actions. After all, the best knowledge will not make the young specialist more influential and successful unless he applies it in practice. The synergistic effect of such activities will, firstly, bring the graduate closer to achieving specific goals for employment and career development, and secondly, strengthen the interaction between HEIs and employers in the process of training specialists and their employment (Lukominskyi, 2017).

According to the Ministry of Education and Science of Ukraine, in the 2015/2016 academic year, there were 1605270 students in HEIs of I-IV accreditation levels, which is 812841 students (or – 33, 6%) less, than in the 2010/2011 academic year. According to experts, this is due to the demographic situation in the early 2000s.

17100 people from 484482 HEIs’ graduates registered as unemployed in 2015. A third of them, that is, about 5,700 are economists, despite the fact that there is a shortage of qualified professionals in Ukraine. Thus, it is necessary to analyze in detail the situation on the labor market in Ukraine.

Dynamics of the number of students enrolled in Ukrainian universities and those that were released is presented in fig. 2.

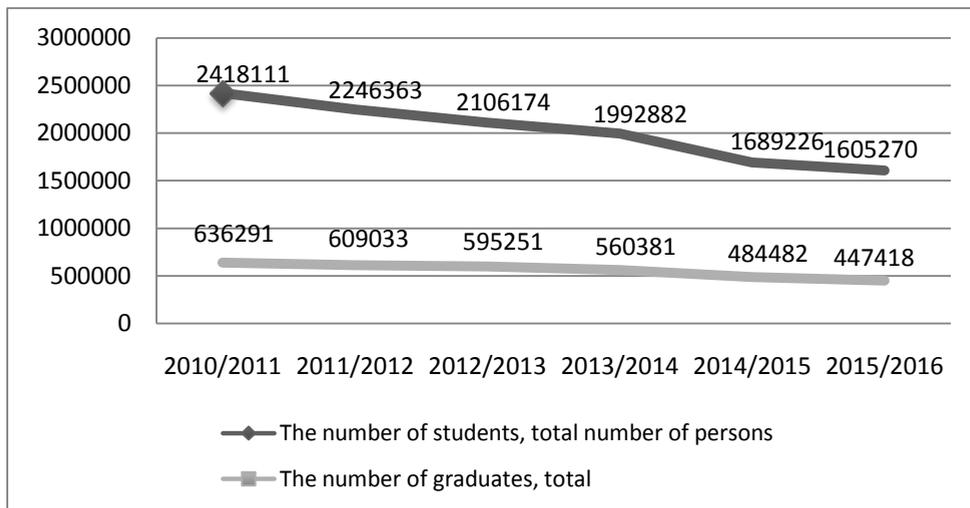


Fig. 2. Dynamics of the number of students enrolled and graduates of Ukrainian HEIs, persons

Source: Official website of the State Statistics Service of Ukraine, 2017

In the classical model of the labor market the buyers of labor (in our case - skilled graduates) are employers. On the other hand, the sellers, creating supply, are the graduates of HEIs of different categories. Meanwhile, HEIs, which trained these professionals, often remain aloof from the process of their further support in finding employment. Based on the tenets of the classical model of supply and demand, the labor market has to adjust itself at the level of the equilibrium wage rate (labor cost) (Fig. 3).

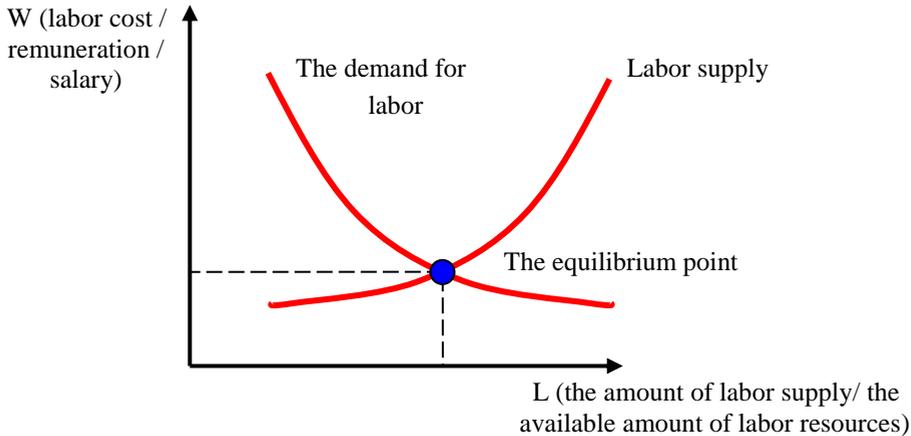


Fig. 3. Equilibrium in the labor market

If the labor market is dominated by perfect competition, the wage rate and employment level are determined by the intersection point of market demand and market supply curves. The equilibrium combination of W^* , L^* expresses a state of full and effective employment. In the process of self-regulation of the labor market, the role of the profit of the entrepreneur, who is the buyer in the labor market, is equally important. In an effort to reduce expenses including the hiring of labor, enterprises modernize production, improve the organization of work and the like, which in turn leads to increased requirements of employers, and therefore, should be reflected in the training of specialists in higher education system, as a potential labor market. In practice this is not happening.

The labor market research assumes, on the one hand, the definition of the specialists' competitiveness, and on the other hand, the competitiveness of the enterprise that will offer them a job. Special attention at this stage should be paid to a study of the factors shaping the requirements for quality and competitiveness of the set of specialists' competencies.

The factors that shape the aspects of some uncertainty on this issue include the difference in approaches to developing requirements and parameters for the selection of potential employees on the part of HR management of the enterprises-employers. HR managers develop a list of qualities of job applicants required for a particular company.

They include not only the qualification requirements, but the personal qualities too. Such criteria are referred to as "qualities" of a specialist, that is, a socio-economic category, which allows defining specific qualities of job applicants depending on the characteristics of the particular workplace at the enterprise level taking into account the requirements to the applicant. Recruitment, selection and assessment of personnel is carried out based on the developed requirements to competitiveness and quality, guided by the results of marketing research of the labor market, given the trends in relation to changes in supply and demand, using the factors of market segmentation, which correspond to the specific industry and region of location of production and consumption of products (Sahaidak, Matseyeva, 2013).

Therefore, in fact, the classic model of supply and demand for the labor market of young specialists in Ukraine is not valid. The point is that supply and demand are in the same

plane in the classical model. In reality, supply does not meet demand qualitatively. Hence, there is a need to introduce a quality indicator of labor force/specialist into the model. The level of the particular specialist's competencies may serve as such an indicator.

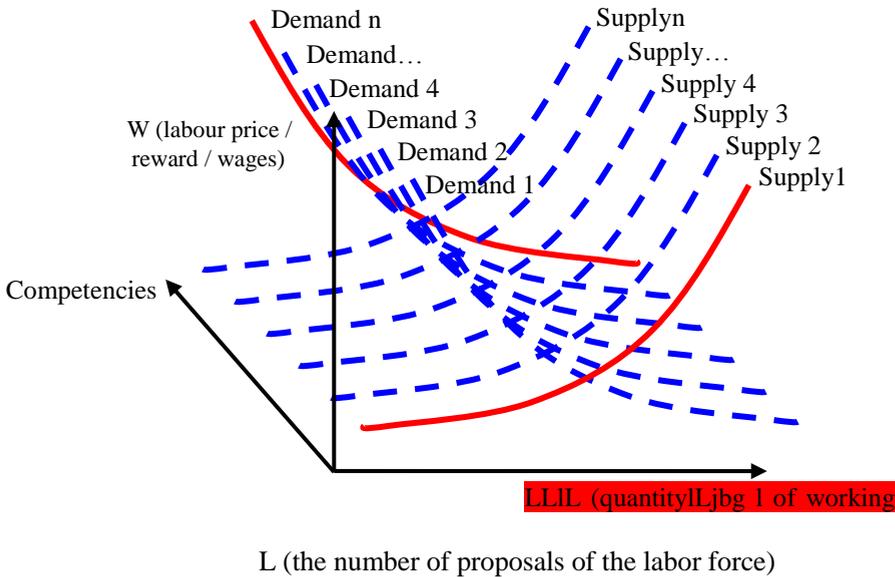


Fig. 4. The model of the market of supply and demand in the primary labor market
 Source: Elaboration of Authors

In our opinion, the classic model of supply and demand in the labor market of Ukraine (in particular, the primary labor market, when HEIs' graduates become job seekers), must be complemented by another dimension, namely competencies. Therefore, the model becomes three-dimensional due to the three axes of ordinates: price, quantity and competence (fig. 4).

In this model, the equilibrium of supply and demand on the market can only be found when both the buyer and the seller are in the same plane along the axis of competencies (fig. 5).

In most cases both the buyer (employer) and the seller (graduate/applicant) of a working place act at different levels of all the competencies. In addition, one can state with great probability that slope of demand and supply curves are different at different levels of competencies. Obviously, the quantity of the labour participants, having the maximal (or optimal) set of competencies, is small enough on the part of the graduates. And, on the contrary, the number of applicants with limited (or insufficient) competencies is much bigger. That's why the graduates with the low index of competencies offer themselves to the employer at a lower price. The employers, on their part, wish to get more specialists, having the maximal/optimal level of competencies, and are ready to pay a higher price for it (fig. 6).

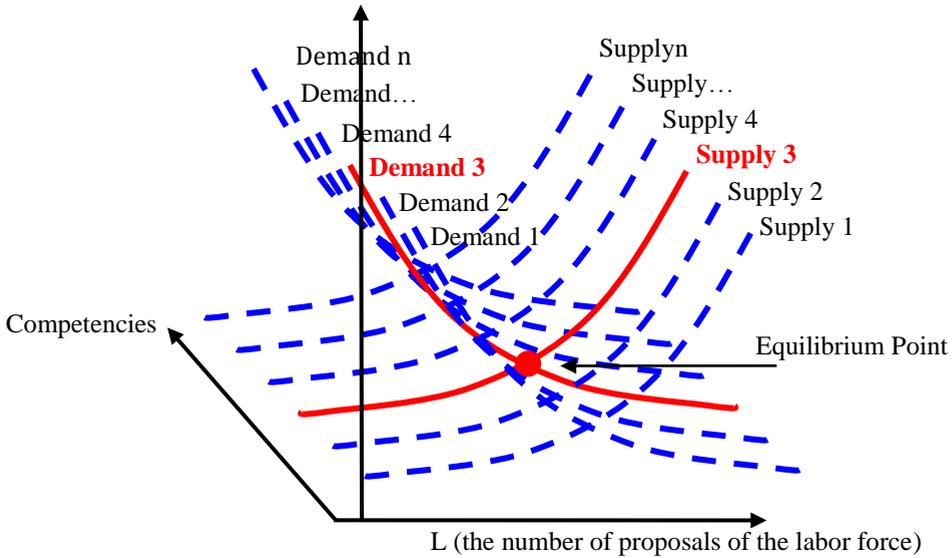


Fig. 5. Equilibrium model of demand and supply on the primary labor market, in which equilibrium is achieved at a certain level of competencies
 Source: Elaboration of Authors

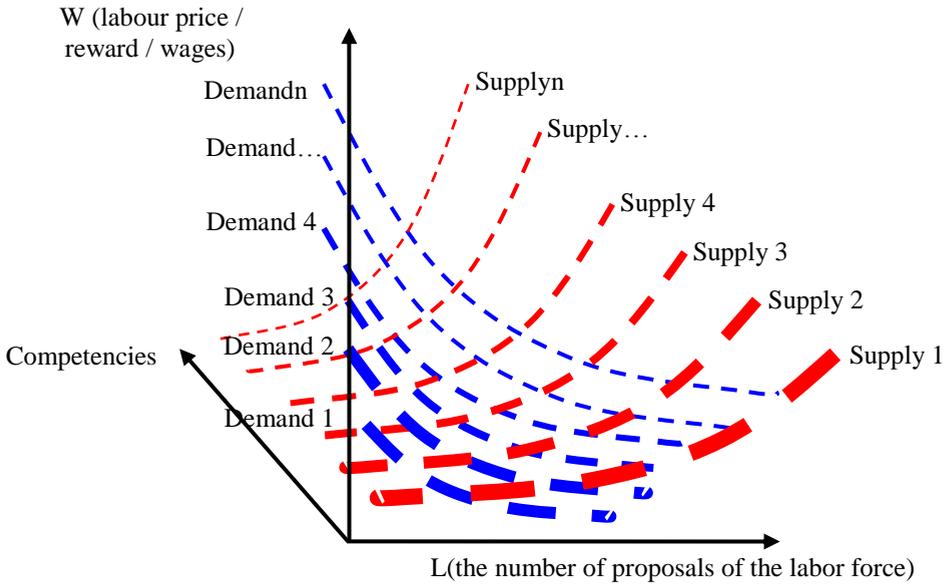


Fig. 6. Positions of demand and supply in the labour market
 Source: Elaboration of Authors.

Due to the difference of demand and supply at different levels of the competencies quantity, the curves of demand and supply have different slope angle and different length. However, even at the minimal level of wages (since 01.01.2017 it is 3200 UAH), there is no necessity for an employer, for example, to have a great number of unqualified employees. According to it, the intersections of demand and supply curves, being formed at all the levels of competencies, create the corresponding set of intersection points which are the points of the market equilibrium, according to the definite levels of a specialist's competencies. This multitude of points creates the equilibrium curve line at the labour market (fig. 7).

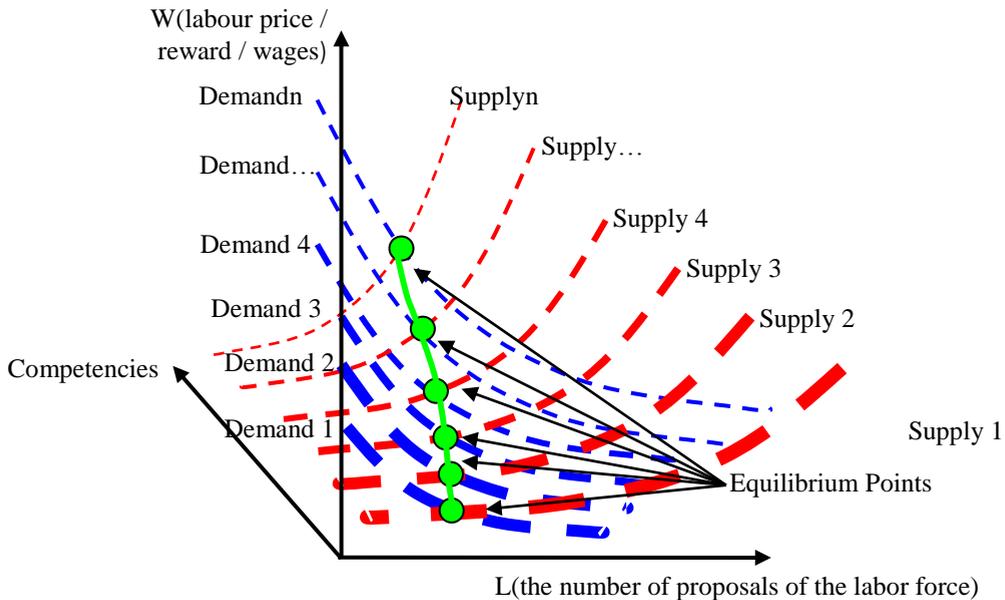


Fig. 7. Equilibrium curve in the model of labour market

Source: Elaboration of Authors

The curves of demand and supply, in their turn, outline area of values of possible demand and supply variants. These areas are three-dimensional in the presented model. The intersection of the area of demand and supply values with the basis area, which is the competencies/ the number of proposals, and altitude, which is the equilibrium curve, form all the multitude of the variants which meet the market requirements. In other words, it's all the multitude of variants of making/setting contracts between the potential employers and potential employees.

Taking into consideration all the above-mentioned, we come across another, not less actual problem: which competencies is it necessary to form for a student during his/her studies at the Higher Educational Institution (HEI) today in order to be in employer's popular demand at the labour market tomorrow? To our mind, it's rationally to use the international experience of the youth employment promotion combined with the search of the alternative variants.

Practically all the countries of the European space take a special care of the youth employment. The level of the young people unemployment does not increase 10-15 % in such countries as Switzerland (4.3%), Germany (6.9%), Austria (12.6%). However, some countries

of EU, particularly Greece (48.9%), Spain (45.3%), Italy (39.1%) suffer from the excessive quantity of young people who need to be employed. Both in the first and second cases, one of the universal ways is the integration of an employer's interests and young applicant's values, for whom the chances of being employed increase as a result of different training programmes (Kolyshko, 2016).

The main reasons of the HEI graduates' lack of employment in the first working place are: the excessive proposal of the working force; the imbalance of knowledge and skills to the real needs of the employer; the unwillingness of an employer to waste resources (material, time, human ones) on the new employees' adaptation to the real production, the lack of the employers' stimulation to create new working places (in current conditions of the recession and economic development slow down, the opportunities of the country economy are extremely limited).

One of the solutions to a situation that has been observed is, firstly, to improve the content of the education through the development of professional standards and adapting educational programs to them, secondly, to stimulate employers to spread the practice of training in the workplace (compared with dual education); thirdly, to form additional competences and professional competencies in the students during their study. Workplace training refers to training that takes place when students are doing real work. The education is carried out both in education institution and in the workplace, and the employer is taking a direct part in this process. This work can be paid or unpaid, but it should be real and connected with producing real goods or services.

It should be noted, that traditional developed systems of dual education can be found in the countries with the lowest current indices of youth unemployment. The above mentioned systems are characterized by the ability to "grow" specialists who do not require adaptation to the conditions of production and are familiar with the specific equipment and business processes, increased levels of employee loyalty to the company, strong supportive relationships in a team, successful solution of the issue of discrepancy between curriculum and real working conditions. Such a system of staff training in no way substitutes traditional education, and is not even considered to be an alternative, just an integral supplement. Therefore, at least four parties, which are a person, a State, an educational institution and an employer are concerned with successful implementation of such practices (Kolyshko, 2016).

Thus, interaction between HEIs and employer companies in terms of realization of dual training program can be effective and profitable for both parties provided a proper balance of original conditions is kept. The following terms of cooperation are among original condition: contractual arrangements; joint costs obligations; the procedure of applicants casting; the motivation of the participation of the parties in the implementation of such programs; providing the enterprise with specialists having professional skills and competencies, enabling them to perform specific functions immediately; the involvement of HEIs in the process of graduates employment on the labour market, etc. (Zemlânskiy, 2010).

Besides, it is worth mentioning that Ukrainian legislation, unlike the laws of EU Member States, completely lacks factors stimulating employers to implement practical training in the workplace. The "motivating" activities may include employers being involved in final exams and other forms of knowledge control (Article 33 of the "Law on Vocational Education ") and the responsibility of heads of enterprises, institutions and organizations to ensure the creation of adequate conditions for practical training in the workplace, compliance with rules and norms of labour protection, safety and industrial sanitation in accordance with existing legislation (article 51 of "Law of Ukraine on Higher Education ") (Kolyshko, 2016).

On the other hand, the countries where the status of the teacher stands high and their educational culture is well developed, turned out to be in the top in the implementation of competence oriented approach to teaching and learning. Having studied the experience of the countries, in which the model has proven to be the most successful, it can be concluded that the funds, which are allocated to education, are important, but more important is the culture that promotes the desire and ability to learn (Lunáček, 2013).

In view of competence oriented approach the level of education is determined by the ability to solve problems of various levels of difficulty on the basis of existing knowledge. Competence oriented approach does not deny the value of pure theoretical knowledge, but it focuses on the ability to use the acquired knowledge. Therefore, the main components of modern student competences must be the following ones:

- knowledge, but not just rapidly changing information. Types of knowledge which should be found and pointed in the right direction of their activities;
- ability to use this knowledge in a particular situation;
- understanding how you can gain this knowledge;
- adequate self evaluation, estimation of the world, your place in the world, specific knowledge, its necessity for your activities as well as methods of its acquiring and application.

This formula can be represented in the following way: competence = knowledge mobility + method flexibility + critical thinking (Bubela, 2013).

Thus, competence oriented approach confronts such phenomena as traditional subject teaching, based on the idea of delivering and assimilation of knowledge (information); selective, two - level (knows -does not know) system of assessment; forced forms of classes organization (conveyor method of organization); vertical, hierarchically organized system of administrative control.

Conclusions

Analysis of relevant problems of higher education and the challenges of Ukrainian labour market allow us to conclude that there is an imbalance, firstly, between the graduates of vocational education and higher education establishments, i.e. there is a shortage of staff in the market (both of manual labour specialists and professionals with higher education), and secondly, between the students learning curriculum and requests and requirements to employees, i.e., the qualifications of the graduates do not meet the requirements of the labour market and employers. In this connection there is an objective need for reforming the system of higher education with the aim of its better orientation to the requirements of the labour market; improvement of the mechanism of financing the Government Order on Education (the abolition of the Government Order as a means of support to uncompetitive HEIs); development of a fundamentally new law on vocational education and the adoption of a new "Law of Ukraine on Education"; improvement of the State Standards of Education which must be based upon competence oriented approach in accordance with levels of NDF on the grounds of modern professional standards; enhancing of the prestige of workers and engineering professions in society; implementation of the dual education system in order to minimize employers' investment in staff training; empowering employers in employment, together with additional obligations in the sphere of development and assurance of qualifications standards, as well as in the arrangement of training, retraining and advanced training of graduates that have not been employed in the first workplace taking into account

the current and prospective labor market needs; giving opportunities for the youth to improve competitiveness, in particular, by facilitating the internships, including studying abroad.

Being built on a parity basis, the interaction between HEIs and enterprises-employers is to encourage professional orientation of the population; definition and agreement of the current and prospective needs of the workforce, vocational training and staffing of vacant jobs; improvement of the mechanisms for providing training and professional practical work for students; providing advanced training (internship) of HEIs' teaching staff at the corresponding enterprises; involving business representatives in the supervisory boards of HEIs to ensure real impact of labour market on institutions of higher education strategy including curriculum programs and organization of the educational process (Kolyshko, 2017); arranging joint work on the content of education, paying particular attention to the development of professional standards and taking their positions into account while carrying out educational programs; establishing an independent internal and external system of education quality assessment; optimization of HEIs' management system, including their consolidation, improvement of material and technical base, which will result in improving the quality of education.

The crisis taking place in the system of higher education of Ukraine, concerning, in particular, reduction of the contingent of students is to encourage management of HEIs to increase their competitive advantage by improving staff policies (involving temporarily unemployed scientific-pedagogical employees into new programs and grant projects etc.), reviewing and improvement of its own services strategy in order to be more competitive in the market of educational services.

One of the problems of the HEIs' graduates employment is frequent inability of the employer to form a set of clear criteria for the evaluation of the applicant, either raising claims to high, or relegating them to the key duties prescribed in the official instructions. Apparently, as regards a specialists' or graduates' set of competencies, there must be a unique one according to the standards of education of one or another field (technical, economic, pedagogical etc.), which will give this specialist a direction to follow. In particular, a graduate of the HEIs of Economic profile must be able to:

- keep his mind open and be mobile (to monitor internal and external environment of enterprises, have command of languages for business communication and have skills to apply them, to be able to feel the "right place" and "the right time" and be mobile in order to be there);

- to learn and use the acquired knowledge in practice (be capable of self-training and lifelong learning);

- to analyze and plan (critical acquiring of the information, its classification, being able to see the trends of development of events and phenomena, create business-idea, design business plans, develop tactical and strategic objectives);

- to implement proposed solutions (business plan/idea of the outcome);

- to monitor the progress of events (to carry out monitoring of business processes, create a system of indicators to help track changes and deviations from the plans);

- to respond (to be mobile and responsive in making managerial decisions);

- to take situational judgment and be totally responsible for them (to be able to take the decision apart from the emotions and cutting off unnecessary information);

- to bear the responsibility (to be able and ready to bear the social and other responsibility for their actions/activities).

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