



HIGHER EDUCATION

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COMPETITIVENESS OF HIGHER EDUCATION ESTABLISHMENTS IN THE LEARNING SERVICES MARKET

The environment conditions that affect directly the learning services market are characterised. The educational sector quality and competitiveness of domestic higher education institutions according to the international and national ratings are analysed. The main competitive indicators for higher education institutions are revealed.

Keywords: education, educational quality, learning services market, competitiveness of higher education establishments, a degree of competitiveness, innovation process.

Бидюк А. Конкурентоспособность высших учебных заведений на рынке образовательных услуг. Охарактеризованы внешние условия, непосредственно влияющие на функционирование рынка образовательных услуг. Проанализировано качество сферы образования и конкурентоспособность отечественных вузов с позиции международных и национальных рейтингов. Определены основные показатели, характеризующие конкурентоспособность вузов.

Ключевые слова: образование, качество образования, рынок образовательных услуг, конкурентоспособность вузов, уровень конкурентоспособности, инновационный процесс.

Background. Stepping up the requirements of the society for educational service quality, the change in the organizational and economic conditions of higher education institutions, joining the European Higher Education Area and updating the technologies and training standards relating thereto promotes the aggravation of competition in the learning services market and, as a result, makes higher education establishments seek ways to increase their competitive advantage.

Analysis of the latest research and publications. The problem of competitiveness of higher education system and its establishments in the learning services market is reflected in the research papers of national and foreign scholars. N. Verkhogliadova [1], I. Kaleniuk [2], T. Olshantseva [3], A. Petersons [4], R. Fatkhutdinov [5] and the others draw special attention to the issues of competitiveness in higher education.

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The **aim** of the research is a competition analysis in the learning services market of Ukraine and a competitiveness evaluation of higher education establishments.

Materials and methods. The study is based on the methods of statistical and comparative analysis, deduction, comprehensive approach, etc.

Results. The transformational changes in modern education are evident in rethinking all the aspects of the educational activities, which are defined as the process of life required for human adaptation to the new requirements [6].

Education is one of the main factors for an increase of human capital quality, a generator of new ideas, a key to dynamic development of an economy and society as a whole. In order to perform these crucial tasks effectively Ukrainian education needs to be updated with regard to current global trends in the development of education in the wider social and economic context [7].

The starting point for reforming the national higher education system was the adoption of the amended Law of Ukraine "On Higher Education" of 1 July 2014. Implementing educational reform is enshrined in the Strategy for Sustainable Development "Ukraine – 2020" approved by the Decree of the President of Ukraine of 12 January 2015, № 5/2015 [8].

The state interest in the educational reform is due primarily to the public needs concerning the growing disaffection with the quality of education. That is why the main official objective of the reform is meant to be the higher education efficiency improvement. The latter corresponds to the worldwide trend, namely since the 1980s the authorities of different countries have been working on the reform of national and transnational (organised as the Bologna Process and the creation of the uniform European Education Area) higher education systems.

Over the past two decades the national system of higher education in Ukraine has been pertinently transformed. The widespread introduction of the Internet and other information and communication technologies results in the gradual joining Ukrainian higher school into the global educational and research system. Nowadays, every country seeks to provide free access to the united scientific and educational area for its scientists as well as the equal participation in the global science and international cooperation. However, the relations between Ukrainian higher school and the world one remain quite low. Even the leading Ukrainian universities are extremely limited in the global ratings. The indexes of publications and citations of academic staff are considerably below than foreign universities' figures. The low level of internationalization in the Ukrainian universities and science, as well as the quick ageing of the research resources accumulated primarily during the Soviet era, downgrades the educational and scientific process in Ukrainian universities [9].

Achieving the aim of higher education reform, namely a substantial rise in its quality for higher education professionals' efficiency participation improvement, the higher school itself in the modernization of the social and economic system, for its competitive recovery in the global educational environment, requires the academic organizations to search for new sources of a potential increase in their own competitiveness.

In the present context the higher education establishments have faced the challenges whose understanding and consideration will determine their competitiveness:

- dynamically changing requirements of labour market and related need to ensure sustainable institutional linkages of higher education system and labour market;

- the transformation of higher education in the primary source of innovative economic development, an enhancement of the role of higher education in research and development work (R & D) and the need to strengthen the ties between universities, research institutions, production enterprises and business;

- the diversification of educational programs, the widespread growth of higher education, the expansion of academic freedom, a growing individualization of educational routes (educational paths) for higher education trainees and related need to ensure the dynamism of the system through more effective quality control of higher education;

- a growing international and domestic labour and academic mobility and the need for maintenance of the uniform educational area and development of a comprehensive strategy of higher education internationalization;

- an inadequate funding of higher education system, on the one hand, and a growing number of for-profit educational services in the terms of the expanding social and economic differentiation of the society, on the other hand, the necessity in efficiency funding mechanisms for higher education and providing an access to higher education service quality for different categories of people;

- the change of demographic setting stipulated largely by the baby bust in the early 1990s, the need for major institutional reforms, restructuring the content and the education structure in an increasingly competitive environment of higher education establishments [9].

Taking the afore-mentioned challenges into consideration, as well as the increased public demands for higher education quality, one may state that the universities are bound to face the problem of competitiveness.

The competitiveness of higher education establishments is not just an economic term, it is the philosophy of an educational institution which is the basis of the diversity of strategic and tactical methods of its operation and development [10].

For instance, R. Fatkhutdinov describes the competitiveness of higher education establishment as its power [5]: to train specialists who will withstand competition on a particular international or domestic labour market; to develop a competitive innovation in a certain industry; to pursue an effective policy in all spheres of its activity.

According to A. Peterson's definition, one of the factors that ensure the competitiveness of universities is an integration of an educational institution into the academic community. Also, the author emphasizes such factors as social stability in a team, its participation in the management of higher education institution. The author defines the competitiveness of higher education institutions as "a state of university as a social and economic system, wherein the following factors are provided:

- 1) appropriate quality of educational services, customer satisfaction and public recognition of the educational institution;
- 2) relevance and practical importance of the implemented research projects;
- 3) integration of educational institutions into the academic community including international associations;
- 4) development of facilities and resources, and data base as well;
- 5) social stability of a team, their participation in the management of universities" [4].

Thus, the competitiveness of universities is determined by the competitiveness of its graduates, its willingness to continuous innovation process based on the use of existing knowledge and generation of new ones. Knowledge is the main resource in the provision of educational services as well as conducting research activities and knowledge management system is a major competitive advantage in the competitive struggle.

Under current conditions, one of the important indicators of competitiveness of the national education system as well as higher education institutions is international and national ratings.

International research shows that quality indicators of higher education in Ukraine are quite heterogeneous. According to a study of Global competitiveness, conducted by the World Economic Forum, in quantitative terms – coverage of higher education, Ukraine is among the first 10–15 countries, while the quality of business education in the 2016–2017 yrs. took only 93 position and substantially increased its positions compared to the 2012–2014 yrs. (*table*).

Generally speaking, Ukraine took the 85th place among 138 countries in the world, having lost six positions per year in the rating of the Global Competitiveness Index (*Global Competitiveness Index*) in the 2016–2017 yrs. [11].

Consumers of educational services – students of Ukrainian universities – confirm by themselves the evaluation of the international research of the quality of education in Ukraine.

**Rating positions of Ukraine upon the components
of Global Competitiveness Index ***

Indexes	2012/13	2013/14	2014/15	2015/16	2016/17
The quality of the education system in total	70	79	72	54	56
Status of higher education and vocational training in general	47	43	40	34	33
The quality of management schools	117	115	88	87	93
Higher education coverage	10	10	13	14	11
The number of countries – participants of the research	144	148	144	140	138

* Developed by the author according to the data [11].

Thus, according to a nationwide survey of students, conducted on March 5–12, 2015 by the "Democratic Initiatives Foundation n.a. Ilko Kucheriv" and by the company "Ukrainian Sociology Service", the vast majority of students – 87 % – find improvement of higher education the important issue, among them – 36 % consider this social problem a priority. Taken as a whole, most students rated the quality of higher education in Ukraine below the average – 2.8 points according to the five-point grading scale. The proportion of students who identified the quality of higher education as "very low" and "low" comes up to 25 %, those who consider higher education "rather high" and "very high" – 18 % [12]. This shows that the Ukrainian education sector is significantly behind in quality and competitiveness compared to the world education sector.

Regarding Ukrainian universities, their score in international rankings is even more modest. According to statistics of the British company "Quacquarelli Symonds", which publishes an annual ranking of top universities in the world "QS World University Rankings", in 2016–2017 yrs. only two Ukrainian universities made the list of 500 world's best universities: V. N. Karazin Kharkiv National University (ranking position is "382"), which greatly improved its position in the ranking, and Taras Shevchenko National University of Kyiv (ranking position is "431–440") [13].

When it comes to the domestic Ukrainian market of educational services, the vast majority of universities have strong positions and well-deserved reputation. The most powerful and strong advantages are its unique educational traditions, known academic and scientific schools, stable structure and branching of universities, stable quantity and quality structure of teaching staff in higher education institutions [14].

To assess the competitiveness of Ukrainian universities it is appropriate to consider methods and results of known national ratings, including the position of Kyiv National University of Trade and Economics.

Among domestic methods of ranking development, such ratings as "Compass" and "TOP-200 Ukraine" are the most complete, transparent and periodically published.

University Ranking "Compass", developed by the portal on higher education "*Best Universities*", became the first nationwide ranking that reflects satisfaction with education by graduates and potential employers. The basis of this rating is a specially developed methodology that considers data derived from complex sociological research, namely: the poll of employers, alumni survey of 2007–2012 yrs., who graduated from universities participating in the ranking, and interviews with experts [15]. According to the rating system of evaluation "Compass", KNUTE is in the top ten and holds the 7th position among 239 universities in Ukraine.

A more complex character has a rating system "TOP-200 Ukraine". Its technique is built according to the principles of international ranking of universities and provides a comparative analysis of various types of university achievements based on a number of universal criteria. In used methodology activity of universities is estimated by the means of aggregate index (integral index), which is formed on the basis of indicators of direct measurement (80 %), expert assessment of the quality of training of university graduates by representatives of employers and the academic community (15 %) and also using international scientometric and web metric data (5 %). The integral index is represented by three components: quality of scientific and educational potential, education quality, international recognition [16]. Although experts consider the low reliability of the data of universities as its weak point, in particular, the lack of accurate, objective information on the sites of universities and organizations involved in higher education and science. KNUTE holds 28 position in this ranking.

National Technical University of Ukraine "Igor Sikorsky Kyiv Polytechnic Institute" and Taras Shevchenko National University of Kyiv are the leaders of both ratings in recent years, but as for further positions, they differ significantly.

Considered methods and the results of university rankings show even not better or worse Ukrainian universities, but the systemic problems of Ukrainian higher education in general. Low positions or absence in leading international rankings is the evidence of a lack of scientific activity in Ukrainian universities as well as problems of integration in the international scientific and educational environment.

Ukrainian ratings rather indicate the impossibility to assess the level of education, based on quantitative indicators – because all these figures are too often unreliable and biased [17]. At the same time, high positions in the rankings are essential to support the academic reputation of the university, which is often associated with university competitiveness.

Conclusion. The main factor in the competitiveness of a modern economy is knowledge and intelligence. Currently the education sector is

developing extremely rapidly, gaining new features in circumstances when the demands of society for quality education are increasing, educational technologies are being continually updated, economic environment of universities as well as the existing right to autonomy is rapidly changing and competition in the educational market is also escalating. This requires finding new sources of increasing the competitiveness of universities.

Formation of competitiveness of higher education institutions is multidimensional process that covers all the functions of universities. In connection with the formation of integrated educational space, competitiveness of university is defined by competitiveness of its graduates as a result of improvement of quality of their training and readiness to develop competitive innovations, covering all key areas of its operation.

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Бідюк А. *Конкурентоспроможність вищих навчальних закладів на ринку освітніх послуг.*

Постановка проблеми. Підвищення вимог суспільства до якості освіти, зміна організаційних та економічних умов діяльності ВНЗ, входження в європейський простір вищої освіти і пов'язане з цим оновлення технологій і стандартів навчання сприяє загостренню конкурентної боротьби на ринку освітніх послуг і, як наслідок, спонукає ВНЗ до пошуку шляхів підвищення власної конкурентоспроможності.

Метою статті є аналіз стану конкуренції на ринку освітніх послуг України та конкурентоспроможності ВНЗ.

Матеріали та методи. У дослідженні використано методи статистичного та порівняльного аналізу, дедукція, системний підхід тощо.

Результати досліджень. Трансформація сучасної освіти виявляється в переосмисленні всіх аспектів освітньої діяльності. Конкурентоспроможність ВНЗ визначається конкурентоспроможністю його випускників, готовністю до безперервного інноваційного процесу, заснованого на використанні існуючих знань і генерації нових. Одним з важливих показників рівня конкурентоспроможності як системи національної освіти, так і ВНЗ стають міжнародні та національні рейтинги.

Висновки. Головним фактором конкурентоспроможності сучасної економіки є знання та інтелект. Нині сфера освіти розвивається надзвичайно динамічно, набуваючи нових рис, в умовах, коли підвищуються вимоги суспільства до якості освіти, безперервно оновлюються технології навчання, швидко змінюються економічні умови діяльності ВНЗ, вишам надано право на автономію, загострюється конкурентна боротьба на ринку освітніх послуг. Це обумовлює проблему пошуку нових джерел підвищення конкурентоспроможності ВНЗ. Формування конкурентоспроможності ВНЗ є багатоаспектним процесом, який охоплює всі функції, які виконує ВНЗ.

Ключові слова: освіта, якість освіти, ринок освітніх послуг, конкурентоспроможність ВНЗ, рівень конкурентоспроможності, інноваційний процес.