COMPARISON OF METHODS FOR EVALUATING THE ENTRANT'S CHOICE OF THE UNIVERSITY

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Abstract: The article is a continuation and a generalisation of a series of copyright publications on the problem of choosing a higher education institution by entrants and their parents. Instead, the article emphasises the need to consider the interests of both parties: the entrants and the legal entities that act as investors of the educational process with the intention of getting a specialist for organisation (enterprises, institutions) in the future. At the same time, an important aspect is the use of the proposed indicators by the university as a provider of educational services.

KEYWORDS: ENTRANT, ENTRANT’S FAMILY, UNIVERSITY, STUDENT’S ANNUAL EXPENSES, THE RATIO OF THE STUDENT’S EXPENSES AND HIS FAMILY’S INCOME

1. Introduction
Choosing a university to study is an important life step for every young person. It is equally important for the family of entrants, as well as for the universities and the regions where these universities are located. Recently, when choosing a university, they try to use such an indicator as a ranking. However, there are many rankings. They reflect individual achievements in the field of science, education, logistics, presence in the Internet space, feedback from employers, prominent graduates, and finally the employment prospects of graduates. Some rankings are applying for an integrated assessment of each university’s place in the global field of education [1;2;3;4;5;6, etc.].

2. The proposed methodology of interstate comparative analysis of educational investment capacity of individuals

The proposed methodology is taking into account the interests of all key stakeholders of the educational process, namely the entrant and his family, government and management of the state, region, community, university.

The decision on admission to study at the university is important for all participants in the educational process. Firstly, of course, one should consider the interests of the entrant who, from the position of a young person who has completed high school education (the gymnasium, secondary school, college, etc.), seeks to obtain a prestigious profession with an educational qualification of a Bachelor or Master. In this case, the prestige should be understood as a whole range of aspirations of a young man. This applies in the future, after graduation, to remuneration and high social status of the profession, as well as to a worthy career opportunity. It is not possible to list all the aspirations, as they depend on the individual. Some people expect from the profession not only material well-being, but also a prominent position in society, perhaps even internationally. It is enough for other people to get material fortune and quiet office work. Everyone counts on their abilities. The main thing is not to exaggerate in your aspirations the level of your intellectual abilities. For these reasons, you should properly orient yourself in the choice of profession, narrower - in the choice of specialty, more in the choice of educational institution, in which it will be comfortable to acquire knowledge and skills, to communicate with fellow students who have the same or similar life goals and values. In addition to the entrant himself, his family’s views on studying are also important.

So, secondly, the plans, values and perspectives of the family on the entrant’s education are important as well. After all, the family takes the responsibility to fund tuition. Of course, nowadays there are students who have the opportunity to pay for the specialties they consider necessary for their business activities. However, these are already seniors who may be getting a second higher education. Some people lack legal knowledge, others lack economic training, marketing, accounting or finance, logistics, etc. Speaking about paid education at universities, it should be noted that in Ukraine the further, the more students will study at their own expense, that means family funds. This is not in line with trends in European countries where there is no direct tuition payment, such as in Austria, Germany, Finland and some other countries [7;8;9;10]. At the same time, the importance lies in such characteristics of the future profession, which sometimes consist in the possibility to return the money invested in studying to the investor - family, and sometimes depend on the opportunity to return after obtaining the necessary profession, specially to the family business. There may be a great variety of family requirements that are also difficult to predict, and even more so to consider combinations of such requirements that reflect the views of family members.

Thirdly, the interests of the state, region, or community should not be overlooked. The state expresses its interests by financing free of charge studying in those professions and specialties that are essential for the public sector. There are certain professions for the civil service, and some socially significant professions in the service, manufacturing, and public sector industries, as well as in training for socially disadvantaged citizens. State support is also needed for talented people who cannot rely on family fortune. At the same time, such persons may in the future return to the state through their professional activities much more than will be spent on their education. Simply put, a person studies from 4 to 10 years when talking about gaining not only a bachelor’s or master’s degree, but also a PhD. However, effective work lasts much longer, from 35 to 50 years. During such a period a person really has time to repay to society his “debts”.

Regional orders may also consider these factors. A particular community, whether united territory unit or otherwise (for example, national, religious, linguistic, etc.), may also financially support certain university entrants. Of course, investing in the training of individuals by regional authorities or individual communities may require them to work for a period of time in the region or in the
community. Such agreements have existed before, exist today and are eligible for future use.

Fourthly, the universities are the stakeholders. On the one hand, the university is a provider of educational services and a recipient of tuition fees. On the other hand, it may also act as a customer and investor of the educational process for such a student, who in the future may become an employee of the university (teacher, researcher, specialist, etc.).

Thus, there may be a number of interested individuals and legal entities for whom the training of a certain specialist (bachelor, master, PhD) is necessary to ensure a certain type of economic activity.

The results of our research were presented at scientific and practical conferences and published in a number of publications [11;12;13;14;15]. However, there is a need to compare results by different approaches, to summarise those conclusions that are formalised to a single system. After all, in the aggregate, our indicators for evaluating the prospects of studying at a particular university can form a system of multidirectional assessments and create the prerequisites for making a truly objective and optimal decision. At least, this may relate to the cost estimates of alternative study projects at different universities in Ukraine or abroad. Therefore, the problem is the need to compare different options for the cost assessment of the feasibility of choosing a university by the entrant.

3. Prerequisites and means for solving the problem

The prerequisite for solving the problem of comparing different indicators of evaluating the feasibility of choosing a university is to identify options for comparison. The means of solving the problem are the selected initial cost indicators that characterise two aspects. The first aspect – the indicators which determine the student’s required tuition and other related expenses. The second aspect is to characterise the ability to pay for educational services, or the solvency of the entrant and his family. Both aspects are summarised in the table.

The table shows the options for areas of assessment and selection of the university in accordance with different conditions and criteria for choosing the educational institution. We consider three options for comparing the solvency indicators of entrants’ families or entrants (there are also students who are able to pay for educational services on their own). The table is constructed in such a way that a certain variant for determining the indicator (by which each of the possible educational institutions should be evaluated) is at the intersection of the solvency indicator and the cost value indicator during the study period.

Table

Options for evaluating higher education institutions by the ratio of entrants’ solvency indicators and costs of studying

<table>
<thead>
<tr>
<th>Indicator s of the cost of studying</th>
<th>Indicators for assessing the solvency of entrants</th>
<th>Average annual salary in the region where the student studies, EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum salary in Ukraine, EUR</td>
<td>Average annual salary in Ukraine, EUR</td>
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</table>

4. Solution of the examined problem

In the first option, we model the ratio of the cost of studying (including tuition fees) with the minimum salary legally approved in the country [12]. In other words, we consider that when choosing a university to study at, one should not rely on comparing only the cost of educational services in comparable educational institutions. We propose to compare the cost of education with the income of potential consumers of these educational services. And after that we can compare relative indicators for different universities. However, in the first option, it is suggested to choose a minimum wage as an income indicator. After all, the minimum wage is the same for the whole country (or for a particular region in the case of a federal state), which makes it possible to make comparisons fairly. Of course, the payment for educational services is a value that varies at different universities due to a number of different factors. At the same time, to encourage students from other countries, universities can agree on roughly equal prices for educational services. This procedure for coordinating pricing can be initiated by intermediary organizations, recruitment agencies. In this case, universities do their educational business not so much by the way of high pricing but by the scale of student preparation. Local authorities may also be interested in this. For them, the influx of more foreign students is a factor in reducing unemployment among the local population, which is more involved in the service business to provide students with accommodation, food, transportation, medical care, recreational activities, etc. Under certain circumstances, students may undertake work that is not performed by the local population or if such work does not have a sufficiently attractive remuneration.

The second option of calculating the necessary indicator is to study the investment capacity of Ukrainian families (potential investors) to pay for educational and related services for children seeking to study at foreign universities. We have proposed an indicator of educational investment capacity [14], which allows to compare the
ability of Ukrainian individuals to cover the student’s expenses abroad (at the expense of wages and salaries).

The ratio of the student’s annual costs of studying and average salary is calculated according to the same methodology as in the first option. However, the first option takes into account the minimum wage and tuition fees. This approach was due to the fact that the minimum wage in unitary states, such as Ukraine, is the same for all administrative and territorial units. At the same time, the minimum wage in Ukraine can hardly be considered as an investment educational resource to pay for education not only abroad but also in Ukraine. We consider the average wage to take into account the wealth of such families who have the opportunity to invest in the education of children. Of course, the average wage in Ukraine, according to studies, is not significant by European standards. However, families usually accumulate tuition in advance, and some still insure children to provide educational services at universities in the future.

The difference between the second option and the first one is that the calculation is made not by taking into account the cost of studying, but considering all the costs of the student for the period of study at the university. This estimate can take into account the costs associated with accommodation, travel costs, transport and health insurance. Accordingly, the formula for calculating the ratio of the student’s annual costs of studying at the university to the average wage in Ukraine will show the ability of the family to retain the student during the entire academic period at a foreign university. In addition, this approach is also valid when studying in Ukraine, but in a city that is distant from the family’s place of residence.

Compared to foreign universities, the relevant calculations for particular countries are given in the paper [14].

The third option is to compare students’ annual costs during bachelor’s studies with the average annual income of consumers of these education services in the respective countries. This comparison makes it possible to see opportunities for students to earn some money to secure themselves abroad. Due to differences in wages by region of each country, we should use the statistics of the respective regions. According to our approach, the average level of income should be taken as the average wage in the provinces of Poland, the federal states of Germany, the regions of Ukraine respectively. The ratio of students’ annual costs of studying to the average annual salary allows different categories of stakeholders to determine the real level of spending. For entrants, first of all Ukrainian, such an indicator will allow to estimate their spendings not only on the absolute amount of annual costs, but also on the comparison of costs with the possible amounts of earnings, that is allowed to students in Germany and Poland. After all, the earnings of students correlate to some extent with the level of average wages. For the university management the proposed indicator will help to make comparisons of the competitiveness of their higher education institutions taking into account the solvency of consumers of educational services. For businesses and local governments (in the provinces of Poland, the federal states of Germany, the regions of Ukraine) this indicator can help to assess the competitiveness of their regions in attracting student youth. Student youth, as well as local citizens, are consumers of goods, services, promote the development of local businesses and thus can help in filling local budgets.

According to the third option, the formula for calculating the indicator is the ratio of the student’s annual costs of studying at the university to the average salary in the region of a particular country.

The results of the calculations for the examined universities are presented in the author’s publications.

5. Results and discussion

As research shows when choosing a university to study at, an entrant and his family (as individuals who pay costs of studying) should consider not only the cost of the educational services, but also the related costs of accommodation, transportation, food, necessary medical services, leisure. Similarly, the authorities and the government should consider the factor of student presence in the city, in the region, in the state. After all, they may either facilitate the inflow of students to universities, or vice versa – to constrain this flow. Such consequences are debatable for countries, regions, campuses, universities.

6. Conclusion

Each participant in the educational process – both direct (student, his family) and university, and indirect (government and the authorities of the state, region, city) – have to take into account many aspects of a person’s or groups’ staying in a particular territory. Relative indicators of comparing the student’s (his family) solvency with the cost of studying at the university, in the country during studying give certain information about the individual’s ability to study, to secure their staying in the educational institution, in the conditions of a certain socio-economic environment. Such assessment should be used by the entrant’s family during the period of choosing the university, and by the university’s management – to evaluate the academic and financial abilities of the entrant as a future student and graduate.

7. Literature

7. Free higher education in Germany is an incentive for Ukrainian entrants. Deutsche Welle. Retrieved from


