

Structural analysis of modern university educational service

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There are public goods and services in a market economy, their production is paid by one part of the population (taxpayers), but they are used by the other (e.g., consumers of educational services). Producing goods for public use the university is working in two markets simultaneously. The university provides certain educational services, used by students, and also presents the results of its activity in labor market with such consumers as companies and organizations in different industries. This dual nature of the university is having a considerable problem with the definition of its products, target markets and customer groups. Acting simultaneously in two interrelated and interdependent markets (the market for educational products and services and the labor market) the university still has one product which it supplies both markets with. All researchers agree that the main focus of the university is to provide educational services, but they do not give a clear definition of a service of higher education.

From the point of view of economic theory higher education can be considered as economic goods which is useful for its customers and requires production costs. A feature of public goods is that the access is not limited for a single user or group of users (on the contrary in the case of personal goods) - it should be available to all. In terms of economic development higher education as economic goods has high positive externalities. A high level of human capital in the economy, connected with a well-developed system of higher education in the country, is generally associated with high rates of economic growth, the general level of economic and social development of society [1]. On the other hand, consumers may be limited in their access to higher education. From this

point of view, higher education has some of the characteristics of private goods which are consumed in competitive environment as individual consumers must somehow pay for or earn access to them. In this situation the market serves as an effective provider of personal goods and determines the demand and price levels. Thus, higher education is a mixed product [2].

There are several levels of goods formation:

- 1st - needs level;
- 2nd - the level of needs expression;
- 3rd - the actual level of educational services at the stage of production and consumption;
- 4th - the level of formation of educational services support, without which it is impossible to offer;
- 5th - providing the tools for promotion, guarantees, etc.

The first level of goods formation is the level of need. From a marketing point of view, the definition of human needs, demanding the services of higher education, as the needs of the knowledge, is not precisely defined. As mentioned by A. Pankruhin, education can help people to achieve the following objectives: to raise funds for subsistence (money), to be assured of a better future, to belong to a powerful social group, to be respected by others, to respect themselves, to assert themselves in something, to realize their potential [3, 7].

The means to achieve these objectives is to increase the professional, personal and social skills and qualities, its economic and social individual value, which is the essence of education. The needs to raise the level of their economic (professional) and social characteristics is the actual needs met by the higher education market [3, 4].

Needs characteristics are to be clearly defined as they will be a base for goods formation in the future. First of all we have to distinguish professional ones among them, because they constitute the core of higher education. In relation to educational services such parameters are a list of professions and

positions according to which a graduate can work directly after university and in the future within his career using this educational ground.

The second level of the university goods - the level of needs expression. Further formation of the goods is subject to the goals of the individual. Therefore, at this level a specific need is formed and it expresses the way to achieve important goals which are selected by an individual. And if they need education they generate the demand for knowledge, develop their skills, which should provide for professional and personal qualities and the ability to engage in selected activities.

Professional competencies which a person needs are partly recorded in the standards of education, educational programs and other regulations in the form of professional competencies and parameters (a list of graduate's competencies at a range of compulsory and variant subjects with a clear description of the depth and breadth of graduate knowledge).

The third level of goods formation - the product. The first two levels are the pre-production stages of educational services. The means to meet the needs of a product is the third level (the actual product as a manufactured product). In our case - an educational service in the traditional sense. Like every product a service has features and quality. The manufacturing process of the educational service includes two different types of activities. The first - direct communication of professors with tertiary students, in which the transmission of information management (intellectual) or psychological (emotional) character, not mediated by any material objects. The information created here is each time new and of varied quality, it has a certain degree of subjectivity, depending on the state of both parties: the teacher and the student. The student directly receives the service - information conveyed in communication with professors as. The second type - student self-study, where he is provided for conditions for independent work according to professor instructions or on his own initiative. The information here has a form of a mediated material carrier – websites,

books, CDs, etc. Therefore work with the sources of this kind, from the general economic and marketing point of view, is the consumption of goods - tangible media of information in the forms of purchase, lease, use, etc. This consumption is possible after buying the goods – a tangible medium.

Thus, at the third level the production process of educational services is divided into two types: the first – direct learning process, and the second – providing conditions for self-study. These activities provide the knowledge and meet the demand for an educational program.

The fourth level of the goods formation - goods with reinforcement. Since the production of educational services is a long process, characterized by the sale time length, support should be implemented in a complex of permanent measures. The student receives a necessary educational product for a long time - the product is purchased as parts of the learning process, knowledge of specific subjects. The relationship between students and professors of the university regarding the amount and quality of knowledge accompany the whole process of learning, as well as the relationship between the student and the university over the price and terms of payment for purchased services. Thus the satisfaction of needs of students as recipients of knowledge, consumers and purchasers of the diploma is only visible upon graduation. Meanwhile, the student goes to university, studies, pays fees, and confirms the school's legitimacy long before getting results which fulfill the final demand. We can only admit the direct connection between the university and the degree of satisfaction of needs of a particular education services buyer considering the large time lag between the emergence of the need and appeal of the final product. This emphasizes the importance of the fourth level of university goods formation, which promotes the graduate's ability of permanent autonomous information acquisition.

The university brand value is determined by the school fame, prestige and reputation of the faculties, alumni, and other factors. In addition, like any brand, it may be an independent sale object. Paying for education in a particular

institution (to meet specific demand for branded goods) one receives not only knowledge and skills but also the right to use the brand life-long. The practice of selling brands is widespread in education. Thus, the fourth level of the formation reveals a third element of educational services - the brand of the university.

The most important characteristic of education as a result of formal training ended with receiving relevant documents (diploma, certificate), is that it acts as a signal. A diploma makes it easier for employers to decide to hire an employee, as it shows their ability to learn and acquire skills. This reduces the degree of asymmetric information in the labor market [5, 6].

The last level of goods formation – is creating an image through the implementation of an appropriate set of marketing tools, which typically includes marketing communications, service, warranty, etc. The goods in first four levels are formed through producer's perception: as a set of objectively existing properties and qualities. In the perception of the product consumer – goods are a set of properties and qualities (in terms of consumer psychology).

As applied to university subjective characteristics of its product, creating the "image of the university" are whether buyers are informed of high school services (the level and quality of the educational process and training), its image and credibility, the degree of perception of the competitive advantages of the university, the perception of education price as fair or acceptable, and other characteristics of buyers' psychological readiness, that contribute to the attainment of a new social status in society (the ability of the graduates to become an active person, to take a position and a place in the political, economic and social life of the country. This ability is formed not only by university educational, but also its educative work focused on the development of student citizenship, the humanist spirit, industriousness, respect for the rights and freedoms, patriotism), developing the ability of technological and psychological organization (ability to organize personal work in future production, management, and other activities, the ability to consistently perform indifferent

modes of operation, procedures, to store, analyze and compile the necessary information, to use computer software to create the rational conditions), ability to psychological self-organization (the formation of personality traits, self-realization, emotional and volitional characteristics, assimilation of ethical attitudes and applying those in the process of management and other activities).

Such additional forms as service and warranty are difficult to create for educational services. These could be, for example, employment assistance, support for young professionals in the early years of their work, etc. Their main disadvantage is that the time lag is great – these means can be available to the buyer at least 4 years after the start of payment, they are not guaranteed to be 100%, and often are not viewed as necessary ones.

From the standpoint of marketing methodology creation of a university brand is an integral part of the university product, but is not an independent consumer utility meeting the person's educational needs; it is not a direct result of the university main activity and is not part of the product as a result of the educational process.

Thus, modern educational service of university is a type of educational activity offered in certain conditions, which has the delayed value (trusted goods). The process and termination of this activity results in independent or mediated satisfaction of the student (consumer) need for receiving necessary knowledge and competences provided by system of higher education, relevant to the environment. The final result confirming receipt of educational service and quality of its consumption is the diploma certifying assimilation of knowledge adequate thereof and the competences provided by curricula, programs and educational and methodical development.

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