

**Parsyak V. N., Doctor of Economic Sciences, Professor**

**Zhukova O. Yu., Candidate of Economic Sciences,  
Associate Professor**

**Kanash O. Ye., Master of Economics**

*Admiral Makarov National University of Shipbuilding  
Mykolaiv, Ukraine*

## **DEFINITIVE TRENDS OF CHANGES IN THE COMPETITIVE ENVIRONMENT OF THE EDUCATIONAL SERVICES MARKET OF UKRAINE**

The system of higher education of Ukraine has been in the process of permanent transformations almost since the time, when it gained the status of an independent state. As a result of these transformations, economic relations are built and continuously changed and, firstly, in the middle between its subjects and, secondly, between the system and key external stakeholders. A competitive environment has gradually emerged where both favorable opportunities and direct threats to the security of higher education institutions (HEIs) were maturing. Let us consider the trends characteristic of it.

1. Observations prove, there are always winners and losers in the struggle for a solvent customer of educational services. 376 HEIs left the market for the period from 1995-1996 academic year (a.y.) to 2017–2018 a.y. [1; 2]. This first of identified trends gives grounds for several conclusions;

a) we are witnesses of the implementation of the curtailment of state guardianship policy by higher education. We emphasize that the content of this «art of management» of the industry does not change due to the rotation of political forces in power. Such unanimity, despite of ideological differences, is explained by the inability of the authorities to create conditions for economic growth in the country and, consequently, the emergence of the lack of funds for the human capital of the nation formation. Unlike in Germany and Norway, for example, where higher education is available to anyone who seeks it and makes appropriate efforts. It is free;

b) the issue of effective ownership and rational management for the non-productive sphere seemed to be as relevant as for enterprises, the real sector of the economy or financial institutions. Taking care of the preservation of the capital invested in the business, private rector (mostly the founders of the HEI) turned out more agile in making fateful decisions than their colleagues who signed contracts with the Ministry of Education and Science of Ukraine. The former cannot count on the state order, and the once-winged phrase «If you're drowning, you're on your own» acquires a relevant meaning for them and encourages active action.

2. There were a little more than 1.3 million applicants of professional competencies in various forms of education and fields of knowledge in HEIs in 2017–2018 a.y. The total number of students has decreased by 35.7%. during the last five years. The same applies to the number of people admitted to study and those who received diplomas. The trend we have identified was diametrically opposed to the global one. Note: the number of mostly young people in higher education institutions in the world exceeds 200 million people. For comparison, in 1980 there were 47 million. According to forecasts, by 2040 there will be 660 million students, which will be 10% of the world's population aged 15 to 79 years. In 2012 it was 4% [3].

The exception is a market segment that consists of foreign consumers. According to the State Statistics Service, most of them come from India (19.8%), Morocco (9.8%), Azerbaijan (8.4%), Turkmenistan (6.7%) [4]. There are also those who came from Israel, China and Georgia. In total – from more than 140 countries. Their contingent is growing: by 45.1% from 2015–2016 a.y. to 2017–2018 a.y. (it was – 5522 and it became – 8013). Studies, including student surveys, have identified several causes of this phenomenon:

- acceptable ratio of the price of educational services and their quality. This statement is in direct contradiction with the allegations of the domestic HEIs decline;

- environmental, economic and political changes in the world. For example, global warming will deprive regions with millions of people of their homes. People will looking for refuge in other countries and, above all, in countries, which belong to the category of «full and

prosperous» in their opinion. The most far-sighted people fascinated by the idea of «intellectual migration», looking for the opportunity to increase their competitiveness in labor markets through the higher education obtaining, where it is available to them.

3. The number of students who pay for education at their own expense or with the money of relatives and close people consistently exceeds 50%. This means that:

- according to the corresponding indicator, Ukraine is equal to such countries as Australia, Israel, USA, Japan [5]. However there were times when they were set for us as an example of how to relieve the state treasury of burdensome social spending;

- we cannot say that bodies of executive power and business are especially generous. But we also thank them for the meager care in fact (0.52% of the total number of students in 2017/18 a. y. received appropriate grants) – it helped someone to gain important professional competencies;

- even the number of those who are able to rely on state support in the form of scholarships decreases (by 36.4% for the observation period).

4. It would be unusual to expect that the reduction in the number of HEIs and the number of educational service applicants will not affect the ranks of teachers. According to our long-term observations, the correlative decline of the academic workload leads to:

the pressure on elderly colleagues, who for a society look like «protected» with pensions accrued by the state. Some of them are involuntarily satisfied with incomplete rates for some time (for this reason we see a surge in 2012–2013 a.y.), and then leave work (this figure was almost equal to 2010–2011 a.y. in 2017–2018 a.y.). Veterans are also encouraged to do so by the state, manipulating the taxation of cash benefits for veterans who continue to work;

strengthening internal competition at the level of basic structural units between teachers with different scientific degrees and titles, and even more with those who do not have them. Administrations defend the most titled ones. For example, in the Admiral Makarov National University of Shipbuilding contracts with scientific and pedagogical workers without degrees and titles are concluded only for one year from 2019.

It does not give confidence in the future. Therefore, the main driving force of higher education, the intellectual basis of scientific and educational programs is weakening. Barely noticeable surge of dissertation defenses in 2017–2018 a.y. was due to the research community's concerns about unpredictable procedures for reviewing and awarding degrees in the near future. The risks associated with them have become a motive for increasing the activity of applicants and the reason for the hard work of specialized scientific councils;

trips of teachers of domestic HEIs to foreign educational centers. First of all, Eastern European ones, where they are kindly invited to participate in Ukrainian-, Russian-language educational programs, launched for young people from Ukraine and other republics of the former USSR;

attempts to realize own potential in hybrid entrepreneurship projects or to searching for more or less acceptable earnings in areas that sometimes do not intersect with science and education at all.

We do not rule out that the continuation of scientific researches will lead to additional evidence of the validity of the working hypothesis about an existence of significant threats for higher education institutions, which increase and diversify. But we assume it is more productive to think about ways to resist them. It determines the future of our research.

### **References:**

1. Osnovni pokaznyky diialnosti vyshchykh navchalnykh zakladiv Ukrainy na pochatok 2010/11 navchalnoho roku. Statystychnyi biuleten. Kyiv. Derzhavna sluzhba statystyky. 2011. 207 s.

2. Osnovni pokaznyky diialnosti vyshchykh navchalnykh zakladiv Ukrainy na pochatok 2015/16 navchalnoho roku. Statystychnyi biuleten. Kyiv. Derzhavna sluzhba statystyky. 2016. 171 s.

3. Calderon A. What will higher education be like in 2040? University World News. The global window on higher education. URL: [https://www.universityworldnews.com/post.php?story=20150908145912643&fb\\_action\\_ids=775584649217085&fb\\_action\\_types=og.likes&fb\\_ref=.VfUcG9o5vmQ.like](https://www.universityworldnews.com/post.php?story=20150908145912643&fb_action_ids=775584649217085&fb_action_types=og.likes&fb_ref=.VfUcG9o5vmQ.like)

4. Vyshcha osvita v Ukraini u 2017 r. Statystychnyi zbirnyk / Derzhavna sluzhba statystyky Ukrainy. 2018. 298 s.

5. Kasych A.O., Tsyhan V.A. Osoblyvosti finansuvannia vyshchoi osvity v Ukraini ta inshykh krainakh svitu. Efektyvna ekonomika. 2013. No. 12. URL: <http://www.economy.nayka.com.ua/?op=1&z=2587>