

Annales. Ethics in Economic Life 2018 Vol. 21, No. 6, Special Issue, 89–97 doi: http://dx.doi.org/10.18778/1899-2226.21.6.07

Wojciech Jarecki University of Szczecin Faculty of Economics and Management Department of Human Capital Management e-mail: Wojciech.Jarecki@usz.edu.pl

Higher education as a stage in competence development^{*}

Abstract

Higher education should enable students to raise their qualifications, and particularly acquire new knowledge, develop their interests, or learn to think critically. As for economics students, tertiary education should provide them with an opportunity to find and follow their career path. Having this in mind, the author of the present paper discusses factors contributing to economics students' involvement in raising their qualifications. The main aim is to state why they have become less involved in doing so and particularly in acquiring new knowledge.

Keywords: qualifications, knowledge, studying

JEL Classification: I23, I26, M54

1. Introduction

The basic goals of studying should be to improve competencies, in particular to acquire knowledge, develop interests, learn critical thinking and acquire work experience in time free from learning, as well as to shape the personality traits needed for professional work.¹ For students, studies should be a conscious and

^{*} The article is an updated version of the paper published in Polish in the *Annales. Ethics in Economic Life*, *18*(3), 133–141.

¹ More on the goals, motives of studying and tasks faced by students in Polańska (2008).

purposeful path to a professional career. However, one can get the impression that for many of them, they are an end in themselves. It is important for them to get a diploma, being a student, and often less important to acquire relevant knowledge, both general and oriented towards future professional work.

With the above in mind, the purpose of the article will be to answer the questions: is the coursework a way for students to improve their professional skills? What are the motives for students to study in higher education? What are the main reasons for choosing a field of study? What is the risk in undertaking higher education? In the analysis, the major references will be to students of economic studies. The data will be used mainly from the Central Statistical Office (hereinafter CSO) and my own research.

One of the important motivations to take up the topic of using the period of studies to shape competencies were discussions with students of economics and humanities, conducted in the academic year 2014/2015, regarding their views on the subject of acquiring knowledge during studies and its importance in future professional work. In the opinion of a dozen or so students (who spoke independently of themselves, with basically no voices of opposing opinions), it can be stated that knowledge has lost its significance for them, that is, acquiring knowledge during studies doesn't significantly improve the situation of students and graduates in the labour market. According to them, the knowledge needed both to pass the subjects and the necessary in future professional work is available on the Internet, and skills can be acquired and developed by doing work. The statement, however, showed that they identify knowledge with information available on the Internet. Another motive of this analysis is a certain concern, probably felt by many lecturers, for the development of students' competencies.

2. Studies as a possible way to increase professional competencies

If we want to analyze the issue of competence, we must first determine what this concept means. There are many definitions in the source literature. It is worth mentioning that it is possible to identify competencies with qualifications. In this article, without going into an analysis of these concepts, the first term will be used and be defined with Oleksyn's words (1997, p. 23) as "competencies are education, experience and skill, talents and predisposition as well as (other) psychophysical features and behavior expected by the employer and important in paid work." In a simplified way, it can be concluded that competencies are knowledge, experience and personality traits.

When talking about the issue of using the period of studies to increase competencies, it is worth noting that the decision to study results in direct costs (fees related to studies, study materials: books, scripts, notebooks, copies, computer programs, etc.), but above all, the opportunity cost understood as lost wages (socalled economic cost), which would be obtained by taking a professional job instead of studying (full-time mode) (cf. e.g. Chapman, 1997, especially p. 740; Musgrave & Musgrave, 1989, p. 183). Lost wages, according to many researchers, are the highest cost of studying in full-time mode. It has been and it is often adopted to test the rate of return on investment in education as the only opportunity cost of education at this level. Additional costs of education are indirect costs (e.g. accommodation, commuting) as well as time devoted to learning (so-called non-economic cost) (cf. Bundesministerium fuer Bildung und Forschung, 2007, p. 24). On the other hand, studying brings specific individual effects, 2 primarily in the form of acquired knowledge, but also other elements of competence (e.g. teamwork skills, creativity, independence, responsibility, etc.), and their measure is the number of rewards and the stability of employment obtained after the graduation. Therefore, it could be concluded that students should engage in the development of competencies, in particular in acquiring knowledge, because this is mainly the purpose of studying, and as a result, increase their chance for satisfying salary and better working conditions. We can ask if students really use the period of study to develop competencies and whether students undertake studies to improve their competencies at all.

3. The motives of for studying and choosing a field of study

It can be assumed that the motives³ for studying, that is first the decision to study and then the choice of direction, influence the involvement to acquire knowledge. It would be desirable to study for the development of one's own interests, with a simultaneous vision of their future professional work related to these interests. It would probably have a positive impact on a greater involvement in studying and active learning, not limited to the one conveyed during the course. The ideal situation is that the high school graduate chooses a particular field of study because he is interested in it and at the same time has a vision of what he wants to do after graduation. It should also result in the acquisition of experiences in a period free of learning, allowing to verify the acquired knowledge and expand it. However, we can ask if the development of interests is an important motive for studying and choosing fields? The research conducted in 1974 by Liberska (1974, p. 84) shows that the main motivation for students to study (for 44%) was the desire to deepen their knowledge. On the other hand, from the CSO⁴ research carried out in 2004, it seems that among people who have been under 30, the main motivation to study was the opportunity to find a good job (69%) and the second one to develop interests (61%) (CSO, 2005, p. 124), while for people over 30 years old, it means earlier students, the most important motive was the development of interests (68%) and the opportunity to find a good job (51%) (CSO, 2005, p. 125). Therefore, younger people, who recently graduated,⁵ when they decided to study, they

² Outside of them are also external effects, which are usually a social benefit.

³ Maybe even more accurately—the reasons.

⁴ In the case of these studies, several answers could be selected.

⁵ This means recently compared to 2004.

paid more attention to future work, but despite that more than 60% said that the development of interests is very important to them. In turn, the most important motive for choosing the field of study was the development of interests (for 70% of people aged 30 and 79% above 30) and then the chances for a good job (for 60% of people up to 30 years old and for 43% above 30 years of age) (CSO, 2005, pp. 131, 133).

From research carried out by the Central Statistical Office in 2012 (2013, p. 77), the main motivation⁶ to study was the opportunity to study in the expected profession (for 43%), and to choose the field of study-finding a job consistent with their interest (also 43%, of which social sciences and the law only 32%) (CSO, 2013, p. 83). This percentage (32%) is a certain confirmation of the results of a survey conducted in 2009 among graduates of the Faculty of Economic Sciences and Management (WNEiZ) of the University of Szczecin, as 34% of those graduates stated that they undertook full-time studies, mainly focusing on the development of interests (Jarecki, 2011, p. 202). Interestingly, but perhaps also logically, similar percentage (30%) of WNEiZ graduates declared that before their studies they had defined career preferences, and additionally 8% specified them in the first half of the studies (in the second half, another 23%) (Jarecki, 2011, p. 205). Therefore, it is also interesting that after graduation only 52% of the examined graduates started work in accordance with the field of education (Jarecki, 2011, p. 230), however, in Poland in general, the percentage of university graduates working in accordance with their learned profession amounts to 62% (CSO, 2013, p. 103).⁷

The presented data allow, with some limitations, to draw the conclusion that in 2004 and earlier about 60% of students undertook studies aimed at developing their interests, and now it is about 40%, while at the University of Economics this is an even lower percentage. The same questions arise: why are fewer and fewer people studying guided by their interests; how can it affect student involvement in improving competencies while studying; why, despite the fact that about half of students began studies according to their interests and future professional work, a much lower percentage actually engages in acquiring knowledge, which can be stated on the basis of observation of involvement in discussions, grades, or falling attendance.

4. Acquisition of additional knowledge and experience during the period of study

Studies are a period of not only acquiring knowledge in the area of a given field, but also learning foreign languages, learning to cooperate, and acquiring professional experience. In a survey conducted in 2009, among about 3,000 randomly

92

⁶ If they could choose only one.

⁷ The lower level of education is the smaller percentage.

selected graduates of full-time studies at the Faculty of Economic Sciences and Management (512 responses were received), interesting results were obtained regarding the acquisition of additional knowledge and professional experience by students (table 1). The analysis was concerned, in particular, with the undertaking of work compatible with their studies.

Table 1. Professional and non-professional activity during the period of full-time studies in the opinion of WNEiZ graduates (2009)

Type of activity	Ν	%	М
Professional work undertaken on own initiative related to the field of study	174	34	15
Work not related to the field of study or obligatory internships	360	70	13
Active participation in research club and other research activity	88	17	18
No job	62	12	_
Additional (outside the university) language courses	205	40	20
Other activity	60	12	23

Note. N = Number of active, % = percentage of active, M = average number of months per student. Adapted from "Szacowanie kosztów i efektów kształcenia ekonomicznego na poziomie wyższym," by W. Jarecki, 2011, Dissertations and Studies (of University of Szczecin), 789, p. 207.

The data presented in Table 1 about opinions of graduates of full-time economic studies reveal that during the studies, they showed relatively high activity in gaining experience. The most—70%, undertook work not related to the field of study or obligatory internships, and 34% undertook work related to the field of study on their own initiative. During the period of study, students worked, on an average, for over one year. It is difficult to evaluate these data. Probably these 70% took up jobs that were incompatible with the field of study because it was not possible to find work in line with their interests. It can only be concluded that the proportions should be reversed—a larger proportion of people should perform work related to the field of study. In turn, evaluating the number of months worked, you should have to have data concerning the period in which they were worked, or more specifically, whether or not it interfered with the time of study. In this context, it would be worthwhile to carry out research on the rate of return into higher education, depending on whether someone is studying on an individual basis or not, or more specifically, whether he is attending classes or not and what his grades are.

It should be mentioned that 12% of full-time WNEiZ graduates declared that they did not work during their studies, thus 88% worked.

Knowledge of foreign languages is an important element of competence. The data contained in Table 1 show that 40% of WNEiZ full-time students have learned, for an average of 20 months during their studies, foreign languages. Additionally, because this applies to the entire population, it can be added that according to the Central Statistical Office, 17% of graduates speak a foreign language fluently and 38% on a medium level, 19% of which have a certificate (CSO, 2013, p. 96).

5. The risk studying

Education differs from other goods in that this gain creates its value for the purchaser during acquisition (basically when exchanging material resources for knowledge). Therefore, the knowledge buyer does not know what product he will receive (how it will benefit). The benefits of studying are usually achieved after a long period (measured by years), so it is difficult to say that someone has carried out a thorough analysis of the benefits and costs of acquiring knowledge (especially from the choice of the field of study). The question may be asked: is studying connected with the risk, so with the possibility that the venture will fail? (Słownik *jezvka polskiego*, 1981, p. 155)⁸ The answer is basically yes, although the risk is small. There are three types of risks connected with investing in higher education (cf. Wolter & Weber, 2005, pp. 38–42). The first type is that one may not finish the studies, for example due to failed exams. The size of this risk is probably diversified depending on the field of study, study mode or university. This type of risk may also include the choice of a course of study incompatible with interests, which may lead to studying "for passing" and not for developing one's qualifications, especially knowledge.

The second type of risk is related to the fact that after raising the level of education, the amount of remuneration may be lower than expected and the risk of unemployment may be higher.

The third type of risk is related to the fact that the state, when making administrative decisions regarding the labour market, tax system, etc., may affect the situation of graduates in the labour market.

Therefore, some types of risk related to studying can be identified. Their size depends basically on a given person and concerns the commitment to improving their qualifications, including acquiring knowledge and, perhaps, awareness of the choice of the field of study. The risk of not completing studies is not high. According to the CSO data (2010–2014, pp. 139–140), about 95% of students of economic studies finish their chosen course. Therefore, the risk of not completing studies is basically close to zero, especially since those who have not graduated will probably be those who will finish them later.

Statistical data (CSO, 2016, p. 53) show that the average remuneration received by people with higher education is around 40% higher than all employees, in other words, mentioned remuneration risk is also relatively low. The situation is equally favorable for employees with higher education in terms of the unemployment rate. In 2010–2012, the unemployment among university graduates was about 5.0–5.5%, while the national average for Poland was 10.0–10.5% (by Research on Economic Activity of Population, CSO, 2014, p. 124).

An additional benefit resulting from the next stage of education, including studying is explained by the selection theory by Thurow (1970). According to this theory, the education system serves only to select good employees and it has no

⁸ A broad analysis of this concept, risk subdivisions etc. are included in Ostrowska (1999).

direct impact on productivity growth. Employers assume that after a given level of education one can expect a certain productivity or motivation to work.

In the "milder" form of the selection theory, presented by Blaug (1976), education affects work efficiency in an indirect way, through a positive impact on learning skills, commitment and motivation to work.

It can be concluded that the decision to study may also be influenced by the fact that the risk of such investment is close to zero, and the benefits of studying depend on the willingness to learn, way to present and verify knowledge, the labour market situation, etc.

6. Conclusions

Summing up, in the context of the questions asked at the beginning, it can be stated that studies are a way to competencies, but to an increasing extent, not quite justifiably, this development concerns the acquired experiences but less knowledge. It seems that the young people want to be financially more independent and yet that less and less often-do not always treat learning as an investment in the development of the needed competencies. Probably really, among students, an opinion of the superiority of acquiring professional experience in acquiring knowledge began to prevail. The problem is that the experiences they gain are rather at the level of a vocational or secondary school graduate, not a university graduates. As a result, the competencies of higher education graduates do not increase significantly. This probably does not apply to all fields of study, perhaps mainly the social ones.

When it comes to the motives for studying, the students are guided primarily by their interests and the situation on the labour market, but there is a noticeable decrease in the percentage of people undertaking studies in terms of their own interests. This probably results in an increase in the randomness of the choice of the field of study. Students are guided by the current situation in the labour market, and after a few years of study, it turns out that after the completed course, there are problems with finding a satisfactory job, consistent with the field of study. It is also difficult to get involved in learning and then in professional work when the choice of studies and often later occupation are accidental. Today's employers expect their employees to actively use their knowledge and skills to build the organization's success, as well as committed attitudes and morals consistent with the organizational value system (Młokosiewicz, 2017, p. 175).

Nevertheless, it should be admitted that making decisions about studying is rational because studying is fraught with little risk and information about the increase of competencies of a given person is sent to the labour market.

It is also worth taking into account that the accidental choice of field of study, resulting in less involvement in acquiring knowledge and, as a result, lower to possible competencies, wastes public and private funds.

Finally, it should be noted that as part of the development of students' competencies, it may be necessary to stimulate their interest in learning values other than strictly economic ones, through references to philosophy or ethics, as this will help to broaden their interests and activities both during their studies and in professional life. The shaping of these values during the university years should have a positive impact on building a personality which promotes not only efficiency in work but also a better self-awareness. Research shows that engagement in work promotes work-satisfaction thus the quality of life (Młokosiewicz, 2017, p. 175).

Perhaps students need a course in the first semester of studies, which would make them aware of the need and sense of using studies to acquire knowledge, shape their personality, and indicate methods of learning. It seems that, paradoxically, students undertake studies focusing on their work from their beginning.

References

- Blaug, M. (1976). The empirical status of human capital theory: A slightly jaundiced survey. *Journal of Economic Literature*, 14(3), 827–855.
- Bundesministerium fuer Bildung und Forschung. (2007). Die Wirtschaftliche und soziale Lage der Studierenden in der Bundesrepublik Deutschland 2006. Bonn–Berlin.
- Central Statistical Office [Główny Urząd Statystyczny]. (2005). Ścieżki edukacyjne Polaków. GUS: Warszawa.
- Central Statistical Office [Główny Urząd Statystyczny]. (2010–2014). *Szkoły wyższe i ich finanse w 2009–2013* [Higher Education Istitutions and their finances]. GUS: Warszawa.
- Central Statistical Office [Główny Urząd Statystyczny]. (2013). Wybory ścieżki kształcenia a sytuacja zawodowa Polaków. GUS: Warszawa.
- Central Statistical Office [Główny Urząd Statystyczny]. (2014). *Aktywność ekonomiczna ludności Polski w latach 2010–2012* [Labour force survey in Poland in the years 2010–2012]. GUS: Warszawa.
- Central Statistical Office [Główny Urząd Statystyczny]. (2015). *Struktura wynagrodzeń według zawodów w 2014 roku* [Structure of wages and salaries by occupationsin in 2014]. GUS: Warszawa.
- Chapman, B. (1997). Conceptual issues and the Australian experience with income contingent charge for higher education. *The Economic Journal*, 107(442), 738–751.
- Jarecki, W. (2011). Szacowanie kosztów i efektów kształcenia ekonomicznego na poziomie wyższym. *Dissertations and Studies*, 789. Szczecin: University of Szczecin.
- Jarecki, W. (2015). Motywacje przy podejmowaniu studiów wyższych ekonomicznych. Annales. Ethics in Economic Life, 18(3), 133–141.
- Liberska, B. (1974). *Problemy efektywności kształcenia wyższego*. Warszawa: Państwowe Wydawnictwo Naukowe.
- Młokosiewicz, M. (2017). Zaangażowanie pracowników perspektywa indywidualna i organizacyjna. Rola zasobów ludzkich w rozwoju organizacji. Zeszyty Naukowe Wyższej Szkoły Bankowej w Poznaniu, 74(3).

- Musgrave, R. A., & Musgrave, P. B. (1989). *Public finance in theory and practice*. New York: McGraw Hill.
- Oleksyn, T. (1997). Praca i płaca w zarządzaniu. Warszawa: International School of Managers.
- Ostrowska, E. (1999). *Ryzyko inwestycyjne. Identyfikacja i metody oceny*. Gdańsk: Publisher of the University of Gdańsk.
- Polańska, A. (2008). Uczenie studentów krytycznego (koncepcyjnego) myślenia priorytetowym zadaniem dydaktyki szkoły wyższej. WSAiB. http://www.wsaib.pl/ files/dziekanat/Uczenie%20_krytycz-nego_myslenia.doc

Słownik języka polskiego (1981). Vol. III. Warszawa: Państwowe Wydawnictwo Naukowe.

Thurow, L. (1970). Investment in human capital. Belmont: Wadsworth.

Wolter, S. C., & Weber, B. (2005). Bildungsrendite – ein zentraler oekonomischer Indykator des Bildungswesens. Das Magazin fuer Wirtschaftspolitik, 10, 38–42.