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THE MECHANISMS OF HIGHER EDUCATION PUBLIC REGULATION IN BULGARIA

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Abstract

Today, the challenges Bulgarian higher schools face, are related to the Strategy for development of the higher education of the Republic of Bulgaria for the period 2014-2020. The state policy in the field of higher education fully responds to the requirements of the European policy. This means equivalence and harmonization of main objectives of the education policy at the national and European level, as well as unity and colinearity of the systems for education quality management. The relationship between higher schools and the labor market, related to the supply and demand of experts in the field of higher education, the encouragement of research activities, modernization of management systems of higher education and better financial control systems are some of the main goals of the Strategy for development of higher education of Republic of Bulgaria for the period 2014-2020. In the present publication, the mechanisms of public regulation of higher education in the last years are studied. The accent is put on the financial mechanisms of the state through which the policy for the fulfillment of the main goals of the Strategy for development of the higher education in the Republic of Bulgaria for the period 2014-2020 is done. Through the amendments of the legislation and the financial mechanisms of the state, the main objective of the government is to be achieved a high quality of the services provided, the high public rate of return, higher competitiveness and higher implementation of the theory in the practice.

Keywords: *higher education, high schools, quality, rating*

1 INTRODUCTION

In the contemporary world, the main objectives of the state policy for education must respond to the changing needs of customers for knowledge, skills, and competencies.

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The adopted "Strategy for development of higher education in the Republic of Bulgaria for the period 2014-2020" (MON, 2014) fully responds to the European policy in the field of education for better quality and efficiency of the education system, as well as higher employment rate.

Today, the main challenges the Bulgarian higher schools face, are related to the implementation of

the Strategy for the development of higher education in the Republic of Bulgaria for the period 2014-2020. Some of the main goals of the strategy are related to the link higher education-business through training of qualified professionals; modernization of the funding methods and management of higher schools.

2 STATUS QUO OF THE HIGHER EDUCATION MARKET IN BULGARIA

The analysis of the data from the National Statistical Institute (www.nsi.bg, 2018) and Eurostat (http://ec.europa.eu, 2018) shows that in the academic year 2016/2017 the number of students in Bulgaria is 236 264 or 3.33% of the population of the country. The number of foreign students is 13673 and the total number of students in the 51 higher schools for that period is 249 937. In the last years, the number of students is continuously decreasing in the three educational degrees "professional bachelor", "bachelor" and "master". The number of students in the academic year 2016/2017 is 35 389 less than the number of students in the 2012/2013 academic year or a drop of 14.55% is observed (fig.1). Some of the main reasons for the decreasing number of students are the demographic crisis; early school leavers, equal rights and opportunities for education in the EU.

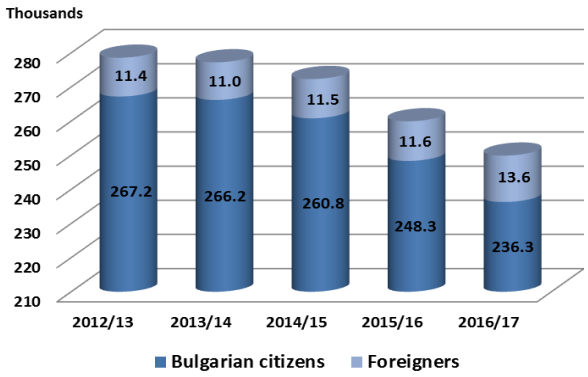

Fig. 1 Students Bulgarian citizens and foreigners
Source: (www.nsi.bg, 2018)

The number of young people in the age 20-24 is 457 433 in 2012 and in 2016 this number is 350 006 (23.48%) which number is less than 24 993 students compared to the previous year. It should be noted that the low number of secondary school graduates apart from the demographic crisis dues to the great number of school leavers – 13.4% in 2016 for Bulgaria and 11% for the EU. Because of the Bulgarian membership in the EU, a great number of the young people in the country took advantage of the equal rights and opportunities of the European educational institutions.

In the last years, the number of Ph.D. students (Fig. 2) is sustainably increasing as in the academic year 2016/2017 a growth of 25.45% compared to the academic year 2012/2013 is observed. This means both, many of the graduates have the motivation to develop their academic skills and competencies, and the number of working places in the field of science and research is increasing.

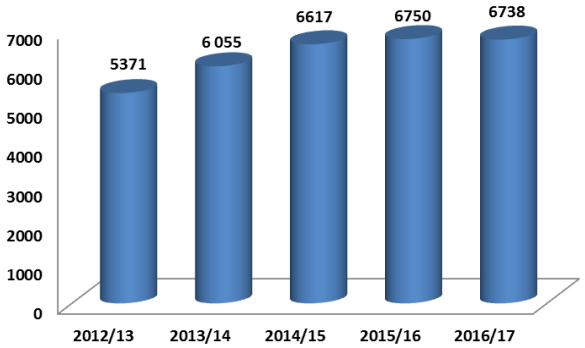

Fig. 2 Ph.D. students
Source: (www.nsi.bg, 2018)

The education funding system, based on the enrolled number of students and not considering the labor market needs, results in the establishment of many universities and higher schools' branches. Almost half of the students (49.04%) in bachelor's degree are educated in three academic fields – "Economics and business administration" – 22.25%, "Technical science and technical professions" – 15.14%, and „Humanities" – 11.64%. The smallest is the share of educated students in academic fields „Natural Science" – 0.76% and "Mathematics and Statistics" – 0.28%.

What is observed in the last years is that the public expenditures for education remain low (Fig. 3), in spite of the need for more funding. The public expenditures for education directly affect the economic growth and professional qualification of employees. In 2016, the sum of the public expenditures as a percentage of GDP is 3.5% which is much lower compared to the average EU level, 4.9%. The public expenditures for higher education as a percentage of GDP are 0.86%, of which 0.19% is spent on additional activities and 0.02% for R&D.

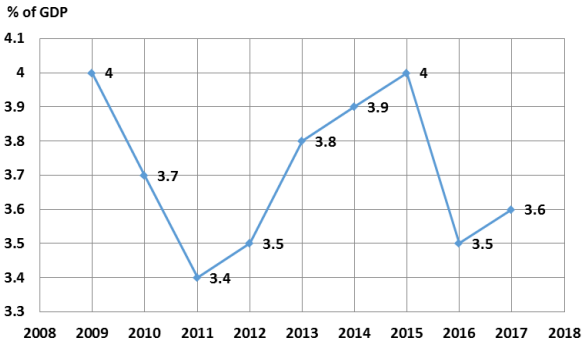

Fig. 3 Public expenditures for education % of GDP
Source: (www.nsi.bg, 2018)

As a conclusion, we could say that the share of graduated students aged 30-34 in 2016 in Bulgaria is 33.8% compared to the average level for the EU - 39.1% (see fig.4). Consequently, we could expect that in 2020 the share of tertiary graduates will exceed the national goal of 36% and will reach the average European share of 40%.

3 CHALLENGES TO THE EDUCATIONAL MARKET IN BULGARIA

3.1 Bulgarian University Ranking System

In 2011, the Bulgarian Ministry of education and science implemented the project Bulgarian University Ranking System (http://rsvu.mon.bg, 2017). The project was funded through the Human Resources Development Operational Programme and co-funded by the European Social Fund. Based on many indicators, the University Ranking System compares 51 universities in 52 professional fields, measures various aspects of the education process, takes into account the higher schools image, as well as the professional realizations of graduates at the labor market. The universities ranking allows being assessed the interest of students to the various higher schools. The needed statistical data for filling out the information system "AdminUni" of the ministry of education and science is accessed through interviews with the students, teachers and staff of the universities as well as through the international reference databases (Scopus and Web of Science), by the National Evaluation and Accreditation Agency and the National Statistical Institute. A few experts prepare a standardized classification of the professional fields of higher schools, based on preliminary selected criteria.

For the defined groups of users, the experts studied the significance of the separate indicators, taking into account the quality of information, as well as the number and relationship among the selected indicators. The number of indicators and their significance is fixed in advance.

The users of the university ranking system receive a comprehensive quality assessment of the education at Bulgarian higher schools.

Main users of the system are:

- students and their parents;
- employers;
- higher schools and the academic community;
- institutions, providing policies for the development of higher education.

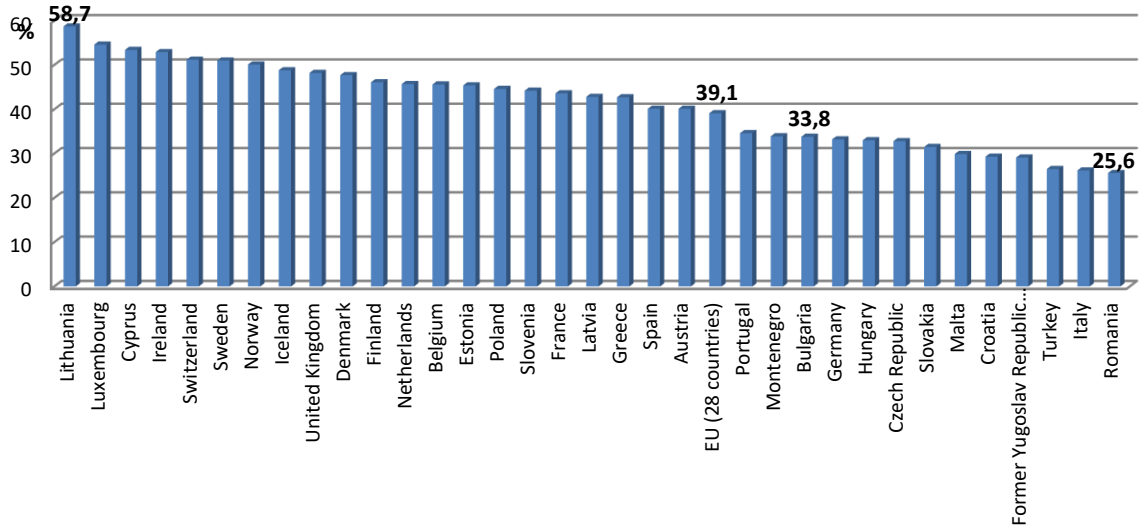

Fig. 4 Share of the graduated higher school students aged 30-34 in 2016 in the European Union (Eurostat, http://ec.europa.eu, 2017)

The professional realization of graduates in the labor market depends mostly on the specialty they study at the university. The main objective of the university ranking system is to help applicants choose what specialty to study and in which higher school. The university ranking system allows students to make comparisons between the higher schools and to be well informed about the image of every university. The university ranking system users can make various classification and comparisons among the higher schools in view of their individual interests. The university ranking system gives information about the educational process, the quality of education, as well as the negative and positive trends in the development of the relative higher school.

Thanks to the university ranking system, the employers could be informed about the human resources management in their organizations as well as about the relationship education-business.

The university ranking system encourages a higher quality of education to be achieved and identifies the areas in which further progress could be made. The best results of universities in the ranking system could be used for implementing benchmarking models and good practices.

The results of the university ranking system help higher schools to develop their education policy to be more competitive in the educational market. The university ranking system is a powerful instrument for the development of higher education in Bulgaria.

3.2 Main actions and measures of the Strategy for the development of higher education in the Republic of Bulgaria for the period 2014 - 2020

The Bulgarian government has started to implement the *Strategy for the development of higher education in the Republic of Bulgaria* through its funding mechanisms, related to the quality of education:

- *The state subsidy for professional fields ranked in the first places in the university ranking system is increased;*

The government uses a comprehensive quality assessment of education at higher schools when defining the state funding of universities. As a result, the universities, where students are educated in the professional fields, ranked in the first places receive 4% additional subsidy.

- *The state subsidy for higher schools depends on the quality assessment for education, received by the university in the University ranking system;*

In 2016 30% of the state subsidy for higher schools depends on the quality assessment for education, and what is forecasted is this subsidy to reach 60% till 2020.

- *Defines priority professional fields;*

Depending on the professional realization of students at the labor market, as well as in response to the over-crowded market with employees in some professional fields at the expense of others of which there is a public need, a Decree No. 64 of the Council of Ministers in 2016 was adopted. In this Decree, it is stated that 70% of the professional fields in which education is conducted in the Bulgarian universities become priority axes and protected specialties, which the government will fund and encourage in a special order.

- *The number of enrolled students and Ph.D. students at higher schools depends on the criteria of the university ranking system and the key priorities of the government for socio-economic development of the country;*
- *Reducing government subsidies for students enrollment;*

For the period 2010 – 2015 a drop of 25% in the number of secondary school graduates is observed while at the same time the number of enrolled students is constant. To achieve a balance between the proportion of state-funded freshmen and the number of secondary school graduates in the academic year 2016/2017, the total number of state-subsidized students in the first year is decreased by 8%. The main goal is to be achieved the admission levels of 62% in 2010, while in 2016; these levels reach 80% of the graduating students. Exempt financial resources from reduced student intake will be used to improve the quality of the education by increasing the subsidy for a student in the areas where it is the smallest.

– *Less admission of students in professional fields "Economics", "Administration and management" and "Tourism"*;

In accordance with the results of the university ranking system, the professional realization of students at the labor market in the aforementioned professional fields is too low and among 19% and 38% of them takes occupations where higher education is needed. At the same time, according to the publications of the National Statistical Institute, there is a shortage of qualified professionals in the professional fields "Information and communication technologies", "Mathematics" and "Pedagogy" at the labor market.

The negative trends in the education market are related to the drop in the number of students in all educational degrees, the outflow of students, enrolled in natural sciences, mathematics and statistics, as well as the poor funding of education in terms of GDP. The need to balance the funding of different professional fields in a way that will improve the quality of education and the realization of students in the labor market has been taken into account in the strategy.

3.3 Main results of the Bulgarian University Ranking System for 2017

The results of the university ranking system in 2017 confirmed the main trends in higher education in Bulgaria.

Data show that the number of students continues to decline. Despite the 10.48% and 15.76% drop in the number of students enrolled in professional fields "Economics" and "Administration and Management", they remain the fields where most of the students are enrolled. At the same time, the professional fields with the best professional realization of students at the labor market are different – "Military" - 98.85%, "Medicine" - 95.56%, "Pharmacy" - 95.02%, "Dentistry" - 92.45%. The good opportunities for professional realization in Bulgaria and abroad as well as many foreign students are some of the main reasons for the significant growth of students enrolled in the professional fields "Medicine", "Health Care" and "Pharmacy".

The proportion of hired graduates who in the first 5 years of their post-graduate work take occupations, requiring higher education, has risen to 48.56% from 46% in 2013. However, just over half of the university graduates in our country, take occupations, requiring low qualifications in the last 5 years, which means a persistent mismatch between the supply and demand of labor in Bulgaria.

There is still a continuing tendency of increase in the average insured income of graduates which reaches BGN 1075.17 at levels below BGN 900 in 2013. But it should be noted that there are still large income inequalities, depending on the professional fields. The professional fields with highest average earnings by the graduates are Informatics and Computer Science - 1613.43 BGN; Mathematics - BGN 1560.41; Military - 1506.46 BGN; Exploration, extraction, and treatment of mineral resources -1493.54 BGN.

The proportion of graduates who do not earn their incomes in the country drops to 21.5% from 23.21% compared to the last year and from 24.76% in 2015. The positive trend is that more and more graduates choose to work in Bulgaria.

According to the university ranking system, the share of registered unemployed higher school graduates in the last 5 years drop to 2.91% compared to the 3.38% in the last year and to 4.15% in 2013. The unemployment rate among graduates of professional fields "Military" - 0.19%, "Medicine" - 0.30%, "Pharmacy" - 0.48% and "Dentistry" - 0.68% is under 1%. In 2016, the unemployment rate in 10 professional fields is 4%, such as "Religion and Theology" - 4.29%, "Social activities" - 4.12%, and "Materials and materials science" 4.10%.

The main trends of the university ranking system in Bulgaria for 2017 shows the need to be improved the relationship between higher education and the labor market.

4 CONCLUSIONS

The main goals of the government policy for higher education are improved quality of education, higher public returns, greater competitiveness and higher professional realization of graduates in the labor market. With the financial mechanisms and implemented regulatory changes, universities are forced to focus on funding and maintaining of professional fields and specialties which employers and society need.

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