

DIMENSIONS OF THE MARKET OF HIGHER EDUCATION INSTITUTIONS. THE MILITARY HIGHER EDUCATION SYSTEM

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ABSTRACT: The market of the educational services added the military element represented by the military higher education institutions, a segment which contributed to the growth of the number of higher education participants through the creation of a higher education niche and in the same time competing with the other higher education institutions. The market of the military higher education institutions is influenced by the general orientation of the educational market, describing specific trends and characteristics, sometimes contradictory to those of the national market. The military higher education institutions largely depend on the public resources, limited in the last period, the resources/needs ratio influencing the educational demand/offer ratio. The study presents an analysis of the market of higher educational services and its consumers, identifying its particularities, as well as its dimensions, evolution, and positioning of the military higher education institutions.

KEYWORDS: military, higher education, Romania, market, educational marketing

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Introduction

The needs, demands and requests of the educational market, sometimes created and influenced by societal factors, by the education institutions, must be understood, identified and satisfied through convenient offers which will be successful if they deliver value and satisfaction to the targeted public (Kotler, 2005).

Researching the educational market and the consumers constitute essential elements for adapting the higher education institutions to the environment in which they evolve, on the market being validated the decisions taken by the management, thus, the market represents a barometer of the universities. Knowledge and separation of the influence of factors on the educational market permits the taking of an action decision so the education institution may survive, maintain or evolve on that market. To know the marketing environment in which the education institutions act means, on the one hand, to identify the demands of the market, and on the other hand, to influence the relationship with the customers of that market (Raboca, 2011).

Education generates on the one hand consumption of educational services, thus the educational market analysis must be made by relating to the concepts of demand and offer of educational services, in the speciality literature, educational services being considered goods and services consumed by primary customers, the students, as main beneficiaries of the educational product, to reach a certain personal level of education, therefore to stock, for the purpose of a future use, educational human capital. From this perspective, education is considered a capital or investment good (Ciobanu, 2003).

The contemporary educational market, characterized by numerous and dynamic changes, adaptations and reorientations depending on the needs and demands of the consumers, imposes that

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all education institutions should develop fast reaction and flexibility capacities, for the purpose of maintaining on the market and developing the competitive capacities. A part of the obvious market changes is linked to the non-profit and public sector, and at the same time, there is a growing competition between the providers of higher education services, because on the market have appeared private institutions, more and more competitive. In such circumstances, the superior quality of the educational services offered by the higher education institutions becomes a keyword. To create a competitive position on the educational market it is necessary that the higher education institutions adopt the concept and philosophy of marketing, by concentrating on the needs of the beneficiaries, segmentation of the market, knowing the competition, positioning on the market of the newly developed educational products and services, based on the trends identified on the market (Štimac and Šimić, 2012).

Literature review

Taking into account the characteristics and parameters that define the markets, the dimensions of the market refer to its capacity, the dynamics and area of the market. The market capacity refers to aspects regarding its quantitative dimensions, respectively dimensions which characterize the market from the point of view of the marketing interest, being described by global and partial indexes (Raboca, 2011). Balaure (2002) reveals that the dimensions of the market regard the area, structure and capacity of the market.

Kotler and Keller (2008) bring into attention four types of market: potential market, available market, target market and penetrated market, revealing that the potential market comprises the totality of potential consumers which manifest interest sufficiently for a market offer, potential consumers must have sufficient incomes and access possibilities to the products/services offer. On the other hand, the available market comprises the totality of customers which manifest interest for the market offer, have an income and access to a certain offer. The target market is that part of the accepted available market which the education institution, in our case, decides to approach, and the penetrated market comprises the totality of customers which opt for the educational products form the communicated offer.

Taking into account the Kotler and Keller approach, Balaure et al. (2002) support just two concepts, namely the effective market and potential market, the effective market representing the dimensions of the market at a certain moment, the market transactions which took place, measuring of the confrontation between the demand and offer, while the potential market represents the possible dimensions of the market, the largest limits of the confrontation between the demand and offer.

The degree of dynamism and mobility of the different dimensions and factors which act on the educational market justify, motivate and outline the marketing actions and efforts of the education institutions, generally trying to extend the real market to the potential and even theoretical market, the transformation of nonconsumers (relative and absolute) in consumers, thus, from this perspective, any marketing action of the universities, including those of the military higher education institutions, should generate, challenge and hold the interest, as well as the access and option of the educational services consumers (Raboca, 2011).

The area of the market appoints and characterized the spatial dimensions of the marketing, respectively the area of the territorial distribution of the market transactions, the perimeter in which the confrontation between the offer and demand takes place (Balaure et al., 2002; Raboca, 2011). The market area generally regards the following aspects: the geographic distribution of the sales of products and services, the geographic distribution of the different segments of buyers, the geographic distribution of the channels for the distribution of products and services, choosing the

forms and networks of transportation and distribution, sizing and placing of the warehouses and distribution networks (Raboca, 2011).

As for the educational market, the market area regards geographical areas in which the education institutions operate, the space in which the confrontation between the educational demand and offer takes place, thus, there is a separation between the internal and external educational market, the convergence zone of the educational demand and offer being situated between the education institutions and the consumers of educational products/services, closer to one or the other participant to the process (Balaure et al., 2002).

The Bologna process transformed the European higher education and implicitly the Romanian one, the type and number of higher education institutions being varied for the countries of the European higher education system, the universities could have any academic or professional orientation and function as state or private institutions, with public or private funding (Crosier et al., 2012).

According to Štimac and Šimić (2012), marketing in higher education has a very different role today than some decades ago. Integration of marketing in the higher education institutions allows the higher education institutions to face the challenges of the changes in the environment in which they evolve, to satisfy the acknowledged needs of the clients. In the marketing context, the market orientation of the higher education process is seen as a process of change, the higher education institutions offering knowledge, abilities and qualifications, professional preparation, satisfaction and other benefits for their clients, utilizing different resources, instead they realize income from scholarization fees, donations from those interested, students, sponsors, labour market.

Main findings of the research

According to the data presented in the Bologna Process Implementation Report (2012), in most of the European states the higher education institutions are both public and private, while in other stated, obviously in a more reduced number, the educational system is totally public. The education institutions are exclusively public in six states of Europe, such as: Andorra, Belgium, Denmark, Finland, Greece and Italy.

On the higher education institutions' market, more that half of the Romanian universities are not more that 20 years old. From a tradition or age point of view, the higher education system in Romania includes young higher education institutions, whose age is not more than 20 years old, and higher education institutions with tradition, whose functioning period varies between 50 and over 100 years.

As it could be observed from the ARACIS data (2010), a bit over half of the Romanian universities are at most 20 years old (52%), while 41% are universities with tradition in the higher education system, tradition as in, on one hand, universities with an age over 100 years (18%), and on the other hand, universities with an age between 50 and 100 years (23%) – most of the universities of this type being formed after 1948, after different processes of institutional differentiation.

The Romanian higher education market includes both public higher education institutions, as well as private.

For the global market of the higher education, the 2000/2001 university year represented the starting point for the implementation of the Bologna system in the European higher education system.

In Romania, the process began in the 2005/2006 university year, the military higher education institutions adapting their study programs, the educational process, as well as the purpose of studies to the imposed requirements.

After a period of growth for the number of private higher education institutions until the year 2000 and even 2001, beginning with the 2002/2003 university year, their dynamics met a significant variation, consequently, the statistics of the higher education institutions on the two forms of property clearly changed from one year to another, the higher education system market becoming more and more competition-oriented.

In the beginning of the analyzed timeframe, in the 2000/2001 university year, in Romania there were 59 public education institutions and 67 private.

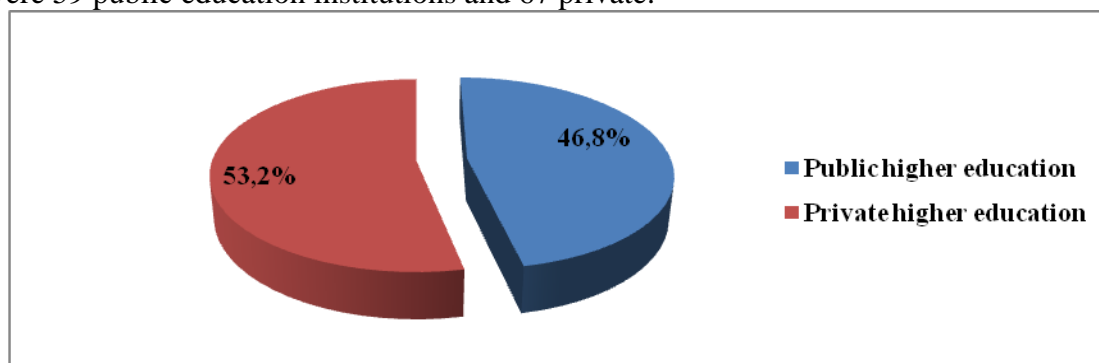


Figure 1. The structure of the educational market in university year 2000/2001

Source: National Institute of Statistics

In university year 2005/2006, the year when the Bologna process was implemented, the number of higher education institutions dropped by 4 institutions for state funded institutions, and by 15 for private funded institutions, thus, higher education institutions show a balanced distribution between the public and the private system (51,4% public and 48,6% private).

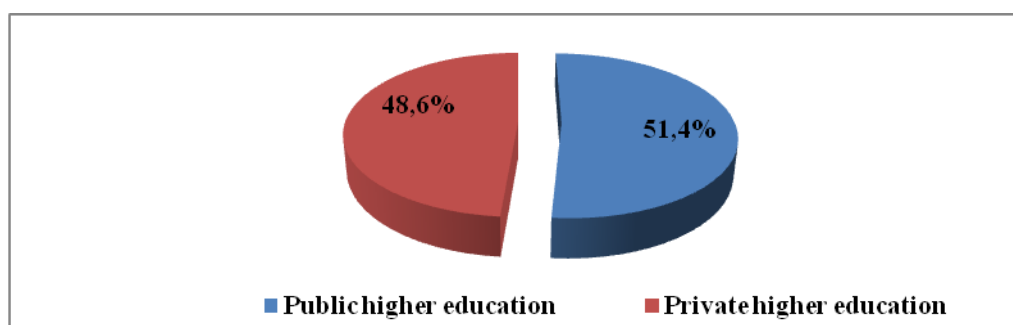


Figure 2. The structure of the educational market in university year 2005/2006

Source: National Institute of Statistics

In university year 2015/2016 on the higher education market, there are 101 higher education institutions, 55 public higher education institutions, with 367 faculties and 1038 bachelor degree study programs, in which up to 166.929 students can be registered, 37 private universities and 9 foundations.

An analysis of the structure of the higher education market shows that the public sector has a majority, as opposed to the private sector, public institutions weighing 54,4% of the total number of higher education institutions, while private higher education institutions weigh only 45,6%.

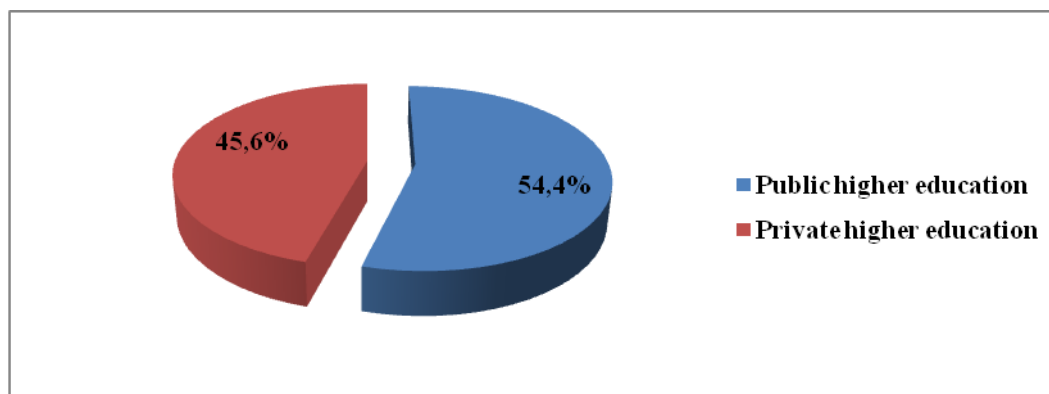


Figure 3. The structure of the educational market in university year 2015/2016

Source: National Institute of Statistics

Regarding the regional distribution, in the Bucharest-Ilfov region there are 34 higher education institutions, 17 of which are public and 17 private, in the North-West region there are 15 higher education institutions, 7 of which are public and 8 private, in the Central region there are 12 higher education institutions, 8 of which are public and 4 private, in the North-East region there are 14 higher education institutions, 7 of which are public and 7 are private, in the South-East region- 7 institutions, 4 of which are public and 3 private, in the South Muntenia region there are 4 higher education institutions, 3 of which are public and 1 private, in the Western region- 11 higher education institutions, 7 public and 4 private and in the South-West Oltenia region – 4 higher education institutions, 3 of which are public and 1 private.

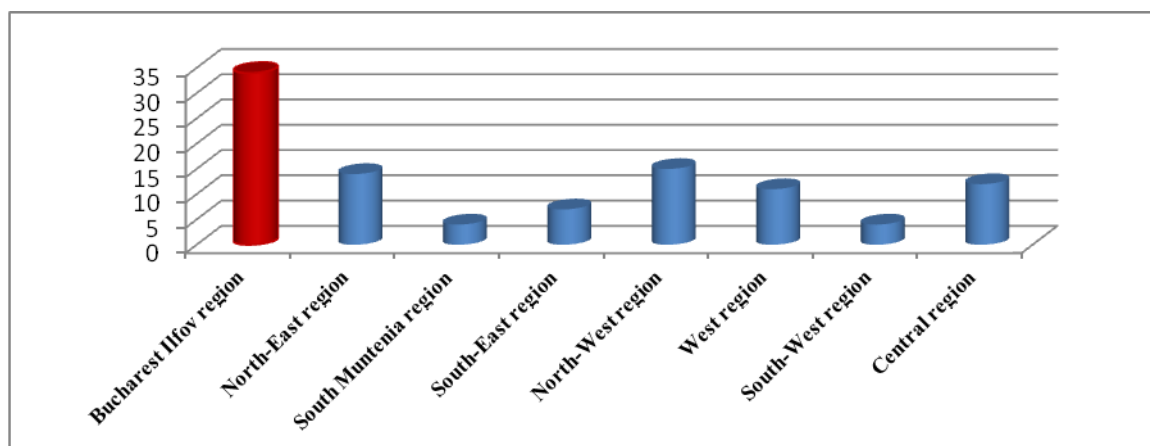


Figure 4. The regional distribution of higher education institutions, university year 2014/2015

Source: National Institute of Statistics

Most of the higher education institutions reside in the big university centres in the country. In university year 2014/2015, in Bucharest there are 34 universities with 158 faculties, 88 of which are public and 70 private, in Cluj-Napoca and Iași there are 10 institutions for each, with 52 faculties and 48 faculties, respectively and in Timișoara there are 8 universities with 42 faculties.

The territorial distribution of private universities follows the same pattern as the public sector, the majority of them focusing on the same university centres as the public ones.

Thus, in university year 2014/2015, in Bucharest there were 16 private universities, 5 in Iași and in Cluj-Napoca and Timișoara, 4 each.

On a national level, the highest scholarization figures in the private higher education sector were obtained by Spiru Haret University and Christian University Dimitre Cantemir from Bucharest, with 8975 students and, respectively, 6475 students in university year 2015/2016 (ARACIS Report, 2016)

This study is aimed to analyse the market of higher education services and its consumers, identifying its details, dimension, evolution and the positioning of military higher education institutions in the market.

In the whole time period analyzed, the military higher education system was comprised of 6 higher education institutions, all public, whose financing beginning with the year 2014/2015 is entirely self-funded.

Starting with the university year 2005/2006, the transformation of the higher military education included all of the military higher education institutions, new curriculums were conceived for all the accredited specializations for the I-st cycle of university studies. The duration of bachelor studies for students of the Military Technical Academy and the Navy Academy, starting with university year 2005/2006 was established to 4 years, for the rest of the institutions the duration being of 3 years, respectively 6 for the Military Medical Institute.

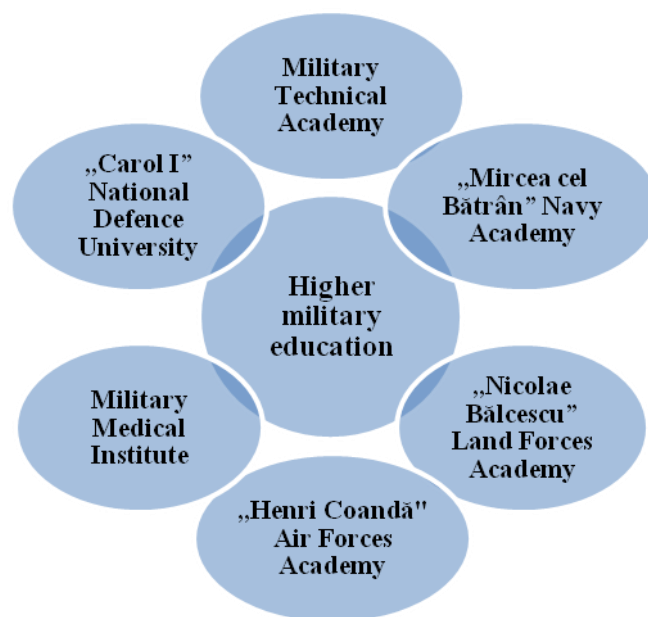


Figure 5. The military university system, university year 2015/2016

Source: National Institute of Statistics

The educational offer of military higher education institutions was influenced by the Ministry of National Defence's needs to ensure personnel, but also of the other beneficiaries from the public order and national security system. Thus, every higher education institution offered on the market of potential candidates, according to approved scholarization plans.

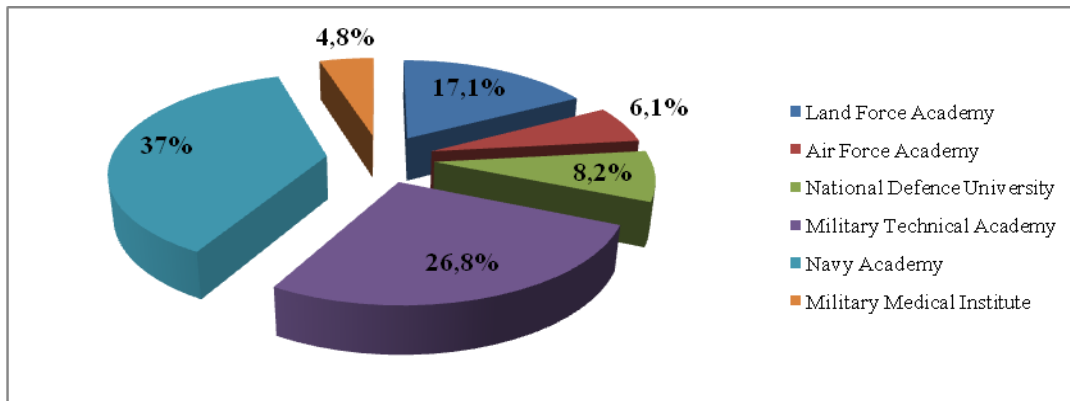


Figure 6. The ratio of the educational offer of military higher education institutions in 2016/2016

Source: Ministry of National Defence

The quality of military education in engineering sciences advantageously places the Military Technical Academy on the education market, and also on the labour market, graduates being appreciated by civilian employers as well.

The structure of bachelor domains of the educational offer for university year 2015/2016 reflects a growing need for specialists in engineering sciences, 64% (Military Technical Academy and Naval Academy), as opposed to military sciences, information and public order – 30% (National Defence University, Land Forces Academy, Air Forces Academy). The educational offer of military higher education institutions also includes health and administrative sciences, their ratio being lower, of only 4,9% for the study programmes of The Military Medical Institute and 1,1% for the study program of public administration from the Land Force Academy.

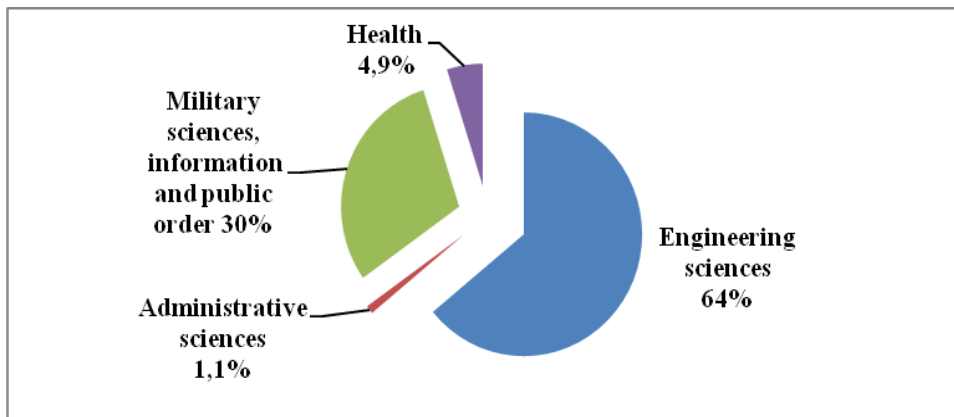


Figure 7. The distribution of the educational offer of military higher education institutions on bachelor domains (specializations) in university year 2015/2016

Source: Ministry of National Defence

The current demands and tendencies of the work market required the inclusion in the educational offer of military higher education institutions, communicated on the higher education services market, of three new specializations such as “Bridges, roads and military infrastructure”, in the bachelor domain Civil engineering, “Energetic materials and defence CBRN”, in the bachelor domain Armament, Rocketry and Ammunition Systems Engineering and “Aeronautic design”, in the bachelor domain Aeronautic Engineering, also the “Transmissions” specialization, in the bachelor domain Electronic Engineering, telecommunication and informational technology, was renamed to “Communication for defence and security”, in the same bachelor domain.

Conclusions

The higher education market, characterized by diversity and autonomy, requires both military and civilian institutions to respond to these challenges, with the common vision of the Bologna Process on the one hand, and the dynamics of society, with its changes, new demands and new expectations of consumers, the need to adapt to changing realities in a much shorter time period, on the other hand.

The everchanging educational market, constantly adapting to consumers' needs and demands, requires military higher education institutions to establish objectives regarding the ensuring and improvement of the quality of the overall educational process, the ensuring of educational resources adequate for the preparation needs of students, for a professional development required by the beneficiaries in the defence, public order and national security systems, but also by employers from the economic environment, regarding the ensuring of quality for the didactic and didactic-auxiliary personnel, the ensuring of a just and transparent evaluation of students' competence, the coherence of the educational offer communicated to the public, the functional communication inside and outside the university, and also institutional transparency (Petrescu et. al, 2015).

Universities will have to try to react more rapidly to social and economic changes, to organize and offer curriculums to meet the needs of higher education consumers and employers alike and to place a greater value on marketing and on the research of the educational and work market (Barometer of the Quality of the Higher Education System, 2015).

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