EDUCATION - AN ECONOMIC GROWTH FACTOR

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Abstract:

Education is a strategic area of development. As part of the education system, higher education is the mechanism that can give to a society the resources necessary for its correlation with social and economic developments at global level.

The truth that education is a factor of economic growth is not a new thing. During time, it was proved that investment in education, research and development, and health insurance is undoubtedly more profitable than the other inputs.

The future of every nation depends fundamentally on the extent to which its system is able to provide to their citizens a performant level of training, which make them competitive worldwide. In higher education must meet the highest standards, with reference to a multitude of functions and characteristic activities - training, research, teachers, students, programs, resources, initiation, management etc. - all competing to achieve the major objectives which converge towards sustainable development of the country.

Thus, the present paper emphasize within an international study, the importance of education in development and growth.

Keywords: education, economic growth, international study, students, questionnaire

JEL Classification: I23, C83

INTRODUCTION

For the Romanian education system to perform and contribute to the economic development of the country, we considered that the first step in this respect is an objective analysis of the current situation of Romanian education. So, we conducted a study which aims to highlight the strengths and weknesses that are facing the Romanian higher education in terms of students. In this study were also analyzed options of students from 15 countries to regarding their option to continue their Masterate studies, and their interest to study in Romania. It highlights several priorities for improving quality and competitiveness of Romanian higher education.

The study was conducted in two phases. The first phase of the study was conducted between 1.10-21.10.2009 on a sample of 408 students of which 206 Romanian students and 202 students from other states. After this period, the study was promoted during the Erasmus IP project INNO Natour - Innovation in Nature Based Tourism Services, held in Romania to the Faculty of Economics and Public Administration from Suceava, from 26 April to 7 May 2010, and to which was attended by 21 students from six countries: Austria, Finland, Italy, Bulgaria, Slovakia and Romania.

For this study we used a random sampling unrepeatable via the Internet. Subjects completed questionnaires on-line available at the following addresses:

http://spreadsheets.google.com/viewform?hl=en&formkey=dEtlcm9EQVdIeURaaFgxbDJrcTJEZF <u>E6MA</u> pentru studen ii români i

http://spreadsheets.google.com/viewform?hl=en&formkey=dGEwQ2xMNFp5dHcwVkFWa25WdDlRdVE6MA pentru studen ii str ini.

Thus, the final study results are presented in this paper.

OBJECTIVES OF THE RESEARCH:

This research had the purpose to achieve the following objectives:

- O1: Finding the intention of the students to start a master;
- O2: Finding the availability of students to study in other countries;
- O3: Highlighting the factors influencing college choice;
- O4: Determining image of Romania and its education system from the perspective of students;
- O5: Identify the facilities that should be offered by the Romanian universities in order to be attractive to Romanian and foreign students.

THE HYPOTHESES OF THE RESEARCH

The hypotheses from which we started this research are:

- I1. Romanian modest position in international rankings of universities;
- I2. Romanian higher education suffers from a low international visibility;
- I3. A lot of students would like to study in another country;
- I4. Romanian higher education does not enjoy a good image among the Romanian students, even among foreign students;
- I5. Romanian universities can not provide, yet, the facilities provided by the prestigious European universities;

SAMPLE CALCULATION

Collectivity researched consists of all students who have studied or have been in contact with the academic community in Romania, or at least have heard of at least one university in our country. We clearly defined the two categories of students: Romanian students and the second group: foreign students. The formula for determining the sample is based on an alternative feature.

$$n = \frac{z^2 \times p(1-p)}{E^2} (1)$$

Where,

 $\mathbf{n} = \text{sample size}$

z = corresponding theoretical probability value that is working with. For the probability of 95%, theoretical value is 1.96.

 \mathbf{p} = proportion of individuals who possess the characteristic that is measured.

E = margin of error. For a 95% confidence, the margin of error is set to 0.05.

For a confidence level of 95%, a confidence interval (error) of 4% and a total population theoretically infinite, sample size is 600 units. For objective reasons of distance and material resources, human and time, we chose a value of 200 units per subcolectivity investigated, while, regarding foreign students, we considered a number of 15 countries of origin to ensure an increased representativeness. The questionnaire was applied on-line, from which we created a database of all responses recorded. Following the tabulation of responses in the database (in the two periods of study) have been validated a number of 429 questionnaires.

Regarding **the country of the student respondents**, we decided to select 17 countries of origin to ensure a more credible research. Responses came from 22 countries, but given the fact that some countries such as Vietnam, Serbia, Moldova, Turkey had too few respondents to ensure the credibility of the study, we reached a total of 15 countries that can be viewed Table. 1.

Regarding Romania, we intend to obtain responses from 10 localities, but after validation of questionnaires, the number of settlements reached is 9 (see Table. 2). The sample structure by age and sex can be viewed in Table. 3.

Table no. 1 – The number of validated questionnaires and country of origin

No.	No of validated questionnaires	Country		
1.	15	Hungary		
2.	18	Bulgaria		
3.	15	Ucraina		
4.	14	Netherlands		
5.	21	Italy		
6.	14	Germany		
7.	16	Czech Republic		
8.	12	USA		
9.	12	Austria		
10.	21	Finland		
11.	10	Lithuania		
12.	12	Slovenia		
13.	12	England		
14.	15 Spain			
15.	10	Poland		
TOTAL 217				

Table no. 2 – The number of validated questionnaires and city of origin

No.	No of validated questionnaires	City		
1	56	Suceava		
2	25	Gala i		
3	20	Ia i		
4	23	Cluj-Napoca		
5	22	Bucure ti		
6	18	Timi oara		
7	17	Bra ov		
8	16	Constan a		
9	15	Craiova		
TOT	TOTAL 212			

Tale no. 3 – Sample structure

Age Sex	<25		26-34		>34	
	Romanian	Foreign	Romanian	Foreign	Romanian	Foreign
	students	students	students	students	students	students
Masculin	24,5%	32,81%	0,60%	9,37%	0%	1,56%
Feminin	71,16%	45,31%	3,06	10,95%	0,60%	0%

> Research tool

The questionnaire was designed both in Romanian for Romanian students and in English for foreign students. The questionnaire in Romanian language was composed of 15 items, including a filter question, five open questions, 4 closed questions and 5 mixed questions of identification. The questionnaire that was designed in English had 19 items, including a filter question, 6 open questions, 6 closed questions and 6 mixed questions of identification.

We considered it appropriate to use a large number of open questions taking into account the cultural differences that may exist between the 16 countries (including Romania).

INTERPRETATION OF RESULTS

In what follows we shall present the results of research, structured on research method used and the research objectives pursued.

01: Finding the intention of the students to start a master

The first question regarding the intention to continue studies with a master degree show results in unison. 86% of Romanian students and 89% of those foreigners are intending to continue studies with a masters degree, which indicates the desire for self-improvement, lifelong learning. (Chart no. 1.). From those who answered "no", the opinions vary a lot between Romanian and foreign group. Thus, when first told that it makes no sense because the theoretical knowledge and practice are not covered, and some are disappointed by the conditions and attitude of the teachers, the second specific desire work and enthusiasm to implement the knowledge already acquired.

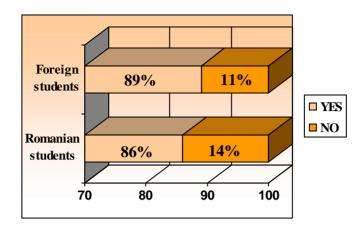


Chart no. 1. – Students' intention to continue studies with a Master degree

When asked "In what area you intend to pursue a Master?" answers again are different in the two target groups. (Table no. 4)

Area Categories	Social sciences, economics and law	Arts and Literature	Computer Science, Mathematics	Engineering and construction	Medicine and Pharmacy	Others
Romanian students	61,5%	7%	21,6%	3,5%	1,4%	4,9%
Foreign students	37%	8%	15%	15%	27%	17%

Table no. 4 – Areas in which students would like to study a Master

It is noted in the table above a malfunction in the sense that if all foreigners prefer areas grouped on balanced proportions, we infer that are preferred based on personal preferences or their abilities; preferences for Romanians go mainly towards the social sciences, economics or as they are recognized as main areas where revenues are substantial, even though it's hard to believe that all have the necessary skills.

02: Finding the availability of students to study in other countries

In terms of study options, 57% of Romanian students prefer to study in another country, while 34% choose other city in the country, and only 28% wanted to stay to study in the city where they live. Approximately the same proportions and preferences to foreign students find that 59% prefer to study in another country than home country, 44% choose another city, while 25% wanted to remain in the city where they live.

These high percentages come as a result of global factors listed above, but should not be downplayed the fact that a particularly important role is determined by accessibility studies, travel, the possibility of a better life and not least the spirit of adventure characteristic to that age are the reasons for a lot of students.

Regarding the options for foreign students, we find that the majority of foreign students questioned would not want to go to study in another country because they are satisfied with the conditions offered by their university, the others stating other private reasons.

Asked which country they would like to study the responses of two target groups are different. Thus, the first three countries in which Romanians want to study are: England, France and USA. (See Chart no 2.)

As regards foreign students options, preferences among locations in their study are: Germany (9.41%), USA (6.93%) and Canada (6.44%). Surprisingly, Romania ranks eight in the preferences of students, on the same level as Finland, Italy and Austria. However, students who have chosen Romania as a study destination, are mainly those in Bulgaria and Ukraine, which are neighboring countries. This fact leads us to believe that the hypothesis of this study that the Romanian higher education suffers from a low international visibility.

Thus, generalizing, we can say about the quality of Romanian higher education that is not so weak as is evidenced in various international surveys and research, but the problem of Romanian higher education may be closer to its international visibility and poor promotion. The internationalization of Romanian higher education was not based on an adequate marketing.

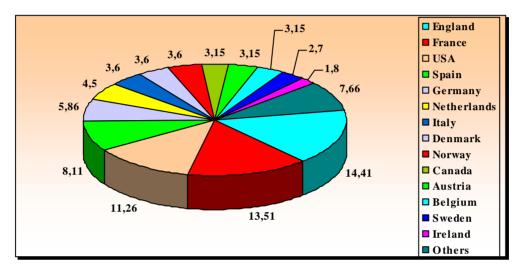


Chart no 2 – The main destinations preferred by Romanian students

03: Highlighting the factors influencing college choice;

Regarding the general appreciation of Romanian university education after which students choose the university, in terms of foreign students, *the opportunities* are first, the second is *the conditions*, and the least important criterion seems to be *the location*. Romanian students believes that the first two criteria are the *opportunities* and *prestige*, and the last place is the same, *the location* of the university.

O4: Determining image of Romania and its education system from the perspective of students;

Regarding the general opinion about Romania, 44% had a neutral opinion, 43% feel good or very good, 10% believe a bad or very bad, while 3% think they do not know the country well enough to formulate a general opinion. (Chart no. 3.)

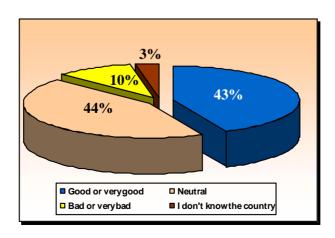


Chart no. 3. – Image enjoyed by Romania and its education system from the perspective of students

If we consider the fact that 44% had an neutral opinion about Romania, we are again at the issue of promotion. Not only Romanian education, but not Romania as the country is not sufficiently promoted abroad. So, a lot of students will join the overall picture they have of Romania with the Romanian education picture.

Asked if they imagined themselves studying in Romania, 49% of them said no, 29% considered this as a possible option, 13% said that they have imagined studying, and 6% did not know or refused to answer. (Chart no. 4)

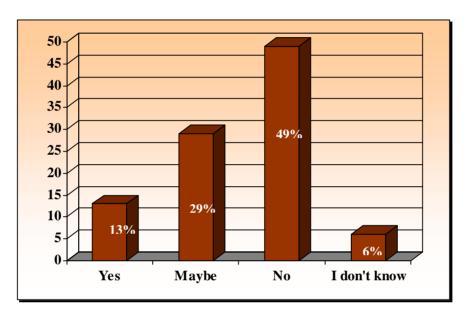


Chart no. 4 – Option of foreign students studying in Romania

Among the reasons stated by those who have answered "no", most foreign students do not know the Romanian education system. Thus we could identify promotion as one of the main problems facing higher education in Romania.

From Romanian students questioned about the quality of Romanian education, 36% feel good or very good, 38% had a bad or very bad opinion, 22% an indifferent opinion about the Romanian higher education, while 4% believe that depending on the domain studied.

O5: Identify the facilities that should be offered by the Romanian universities in order to be attractive to Romanian and foreign students.

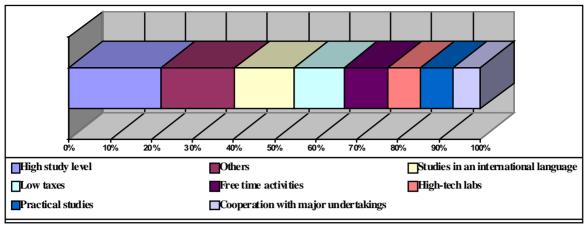


Chart no 5 – Facilities required by foreign students on higher education

When asked "What features should you offer for the Romanian higher education to make you study here?" the answers we received were surprisingly similar to a high frequency content. We have considered all responses received, including multiple ones. The most tempting it seems to be a high level of research with highly prestigious and competent teachers (22.2%), followed by studies in a foreign language (14.4%) and studies fees as low (12%), leisure activities offered on campus and in town and country in general (10%). In other words we can pull off *quality* as first attraction, but are also important *the possibility to adapt, studies fees and subsistence*, and *recreational opportunities* as an important part of internships in a foreign country (Chart no. 5.)

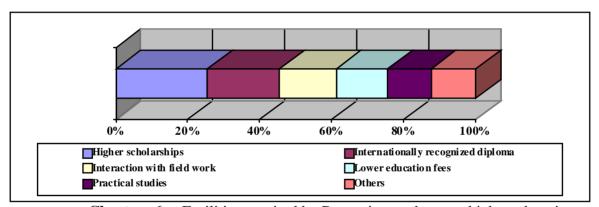


Chart no 6. – Facilities required by Romanian students on higher education

A key point of the research was to highlight the needs of the Romanian students vis-à-vis the Romanian higher education and what would cause them to stay and study in the country. It started from the premise that many valuable students prefer to leave the country because the opportunities there are not up to their expectations. Thus, they believe that to stay to study in Romania, higher education should offer more scholarships (25.4%), followed by internationally recognized diplomas (20.2%), interaction with domains employment (15.7%), lower education fees (14.2%) and practical studies (12.2%). We can see that Romanian students desires overlap to some extent with those of foreign students, but the priorities are quite different (Chart no. 6).

CONCLUSIONS AND PERSPECTIVE OF RESEARCH IN THIS AREA

This paper starts from the premise that in a society based on knowledge, the university aims to contribute to the welfare of the individual and socio-economic environment, generating and transferring them through education, research and innovation. Academic approach, as any socio-economic approach, it needs to respond by presenting specific life cycle requirements.

As a result of research done, we can identify *the international promotion* one of the main problems facing higher education in Romania. Romanian universities should be concerned about

their correct position in international rankings, improve inter-university partnerships at European and international level, participate in international research projects and to attract foreign students by improving quality of education.

Thus, the study shows that the Romanian education quality is not so weak as is evidenced in various international surveys and research, but higher education is more a problem of international visibility, which is based on poor promotion. The internationalization of Romanian higher education was not based on an adequate marketing.

At present, it becomes increasingly obvious the link between education and professional training, innovation and correct stimulation of economic development on the one hand, and the amount and level of economic growth, on the other side. It has been proved beyond doubt that companies that have invested in education have reformed modernly the economies, recorded high growth rates and have redefined the foundations of sustainable competitiveness

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