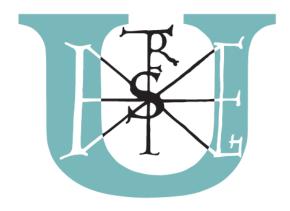
## Szent István University Gödöllő

## **Faculty of Economics and Social Sciences**

## **Doctoral School of Management and Business Administration**



## RELATIONSHIP BETWEEN HIGHER EDUCATION MARKETING AND LABOUR MARKET IN TRANSYLVANIA, ROMANIA

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## 1. INTRODUCTION

Higher education has a significant influence on our success on the labour market, the profession we choose and the degree of proficiency in our chosen fields define us for life. It also defines the social and economic health of society.

## 1.1. Research topic

In the past few years we have witnessed important changes in higher education we can say that it is an ever-changing, dynamically developing sector. It has become clear that the time of the ivory towers is gone. Higher educational institutions' leadership realized that it is time to regard education as a service that needs to be constantly adapted to consumers' needs and this is the only way for them to stay competitive on the market.

Higher education has witnessed an exponential growth. The needs of society have changed, the relentless pace of technological development have made it clear that there is a need to adopt a marketing approach in the higher education sector. The market needs to be defined, consumers must be identified, products must be developed and sales channels need to be set up.

The Romanian higher education market has experienced a wide variety of significant changes in the past 15 years. New players entered the market, the offer of higher educational services increased and structural changes were brought about by the Bologna system. The economy has changed. Economic growth, economic crisis, structural changes are the three key terms defining the Transylvanian entrepreneurial environment.

The present paper aims to identify key aspects that are necessary for the development of competitive curricula and educational structure in higher education. The previously mentioned international trends and local changes make it necessary for the research to focus on Transylvania. The present paper and its result are unquestionably useful from a practical perspective. There is a need for renewal, to improve our prospects, operate efficiently, as well as other important aspects, if we wish to stay competitive. The present paper can help higher educational institutions maintain the competitive edge. In order to carefully examine every possible perspective on the subject the chosen target group includes stakeholders in higher education, entrepreneurs and the labour market.

The current nature of the present research is also confirmed by the literature on the topic. Higher education needs to undergo goal-oriented changes, as currently it is lacking in several areas. Universities and the private sector need to go beyond superficial collaboration, there is a need to set goals and work on long term collaboration.

My personal interest in the topic was realised when I was working at the Sapientia Hungarian University of Transylvania. There I took notice and dedicated time to observe the changes in Transylvanian higher education. I was involved in the enrolment marketing activities as well as alumni relations. At present I teach at the university and have the chance to closely observe the collaboration between the university and local entrepreneurs; I try to analyse the feedback and together with my colleagues we try to adapt the curricula accordingly.

## 1.2. Research aims, hypotheses

In the following I will present the goals of my research and my hypotheses:

- 1. Research aim (A1): to examine and identify challenges related to students' attitude and how these affect the labour market and Transylvanian higher education.
- 2. Research aim (A2): to formulate recommendations on how to tackle the identified challenges.
- 3. Research aim (A3): collecting feedback from successful graduates who managed to find a job in their field and use these feedbacks for further educational developments.
- 4. Research aim (A4): proposing and elaborating a model that takes into consideration recent higher education trends and research findings.

In order to achieve the above-mentioned goals and to examine the arising questions several hypotheses were formulated. In order to validate these both quantitative and qualitative research methods were used. The hypotheses are the following:

- 1. Hypothesis (H1): University graduates' opinions towards and their satisfaction with the education received at the Sapientia Hungarian University of Transylvania and the Babes Bolyai University the two major players on the higher education market will show significant differences.
- 2. Hypothesis (H2): There is no significant difference across the fields of studies regarding graduates' perceptions on the applicability of their studies on the labour market.
- 3. Hypothesis (H3): Those graduates who already tried themselves out on the labour market believe that the biggest problem in higher education is the lack of practical training.
- 4. Hypothesis (H4): The language of instruction is one of the most important factors students consider when choosing a university and it is closely followed by the distance between their home and the university.
- 5. Hypothesis (H5): Theoretical knowledge is not the first thing employers are looking for when they are recruiting.

#### 1.3. The structure of the research

The paper is divided into two major parts, the first presents the theoretical background and the second describes the empirical research. The theoretical background contains a review and analysis of the relevant literature on the topic. The reviewed literature is mostly English and Hungarian, since there are very few Romanian sources available.

The empirical part of the paper presents my own research and the results obtained and it emphasises their real-world applicability.

The research is based on primary and secondary data collection.

When the structure of the research was in the planning stages the works of (1995), Tomcsányi (2000) and Sajtos – Mitev (2007) were used as a starting point. From there the works of Piskóti (2016) and Törőcsik (2010, 2014, 2015) were used to get started with modelling and identifying changes in higher education. All these proved to be very useful when I started building my own model.

Secondary data collection was built on a thorough review of the Hungarian and international literature. Important studies on the subject were also considered to fine tune and set the direction for the primary research. Beside the scientific literature several international and EU reports and statistics were examined and incorporated into the research.

The primary research was accomplished with quantitative and qualitative data collection. The thorough examination of the literature and the qualitative data collection enhanced the understanding of the local nature of the situation and contributed to the precise definition of the research questions. The models discovered during the secondary research were incorporated into the primary research. Focus group discussions were the main instrument used in the research complemented by website analysis and in-depth interviews with experts. The advantage of these methods is that they allow for the researcher to get closer to the core of the topic and the drawback is that it cannot be quantified. The quantitative research was based on an on-line survey. The goal of the survey was to identify correlations (cause and effect relationships) and it also yielded quantifiable data used to examine and validate the hypotheses.

#### 2. LITERATURE REVIEW

The basis for the research is a review containing service typology and service marketing models that can be applied in higher education. The review contains a presentation of the evolution of higher educational institutions, as well as papers on university marketing, touching on collaboration and synergies between universities and the private sector.

## 2.1. Building the theoretical model of the research

After the review of the literature a higher educational model was set up which also defines the direction of the research and it is based on Lovelock (1983), Zeithaml et al. (1985) and Parasuraman et al. (1985) GAP model with a few modifications.

The proposed model is based on new trends in higher education since the online instruments available today have a significant impact on the classical definition of the service. Therefore, the following modifications are recommended:

Lovelock -model: Lovelock's model differentiates services based on their provision and location. He distinguishes between the following two situations: the client goes to the service provider (the operating costs are lower, the location is important, it needs to be costumer friendly) or the service provider goes to the client (this makes the service more expensive). Modern tools at our disposal can enable us (video presentations, online sharing, interactive platforms, online tests, online grading) to mix the two types: a certain part of the service provision can happen in the customer's natural environment (materials are accessible using smartphones, tablets which can also store it and access it any time), and personal consultations, practice-oriented activities can happen at the institutions' facilities. The mixed model implies new requirements and expectations: a user-friendly interface.

Zeithaml' (1985) SERVQUAL principle is the basic model of service marketing. This model is built on the following characteristics of services: variability, inseparability, perishability and intangibility. These risk factors can be eliminated by the proposed model which also considers

new trends. The curricula can be recorded and the video can be shared online, thus it reduces variability (the teacher's mood does not affect the quality of the service), it is no longer inseparable (the students can access it anywhere) and the material can be stored.

The GAP model (1985) is based on the difference or gap between the given and perceived information gap to which Yakov (2006) recommended the accurate assessment of expectations and experience of the beneficiaries. The research proposes ways to reduce the informational gaps. It is not always the best option to consider only students' expectations because expectations of the labour market and employers are often more important.

The model proposed based on the literature review is illustrated in **Figure 1**:

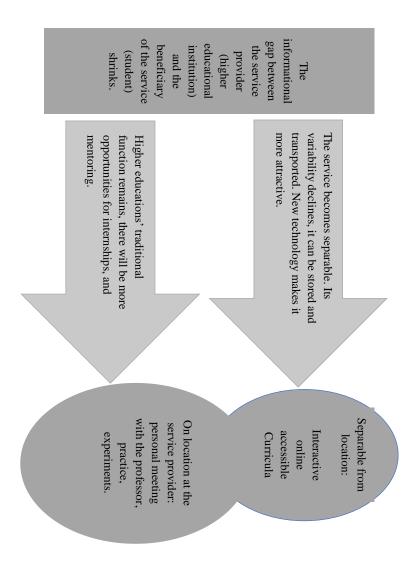


Figure 1: New theoretical model for higher education considering recent trends

Source: own elaboration, based on the reviewed literature, 2018.

## 3. RESEARCH METHODOLOGY

To achieve the research aims secondary data was analysed and the international Romanian and Hungarian literature was reviewed. The literature review allowed for similarities to arise and thus a comparative analysis was used to create models.

The review of the literature served as a basis for formulating the hypotheses and starting the primary research:

## 3.1. Qualitative research - aims and methodology

The following qualitative methods were used in outlining the quantitative research:

## a. Focus group interviews

Focus group interviews were conducted with students. The students attended one of the two major higher educational institutions providing Hungarian language education (Babes-Bolyai University, Sapientia Hungarian University of Transylvania); 8 students took part (4 students from the 1<sup>st</sup> year and 4 students in their last year of study). Each session lasted on average 70 minutes. The focus group interviews took place in May-June 2017 and were organized in the research lab of the Faculty of Economics, Socio-Human Sciences and Engineering in Miercurea-Ciuc. The audio recording was transcribed into Microsoft Word and analysed using content analysis methodology.

## b. In-depth interviews with experts

Company leadership was asked to meet face-to-face in order to conduct semi-structured interviews. For each ISCED fields 2-2 Transylvanian company directors were selected. Altogether 16 interviews were conducted with duration between 80-110 minutes. During the interview participants did not have to answer specific questions rather they were asked to talk freely about the given topic with the help of some guiding questions. The interviews contributed to the process of narrowing the research topic, finding a framework for the entire project. The interviews also confirmed the results of the survey.

## c. Website analysis

The websites of the Babes–Bolyai University and the Sapientia Hungarian University of Transylvania have been analysed, including microsites. The focus was on B2B communications; especially to identify official communication with the private sector. The webpage analysis was based on a previously defined set of standard criteria.

## 3.2. Quantitative research – methods, hypotheses

The aim of the research was to gather data from Transylvanian Hungarian graduates who successfully found a job related to their field of study. The study focused on the perceived usefulness of their university education and its impact on their success. Respondents were asked to point out weak points in the university education. They had to give specific examples and their opinion about useful aspects, as well as things that need to be changed. The quantitative research

is a way to improve the GAP model since the proposed method aims to reduce the gap between higher education institutions and beneficiaries, as the feedback of successfully employed graduates is incorporated into the educational structure.

#### 1. Survey

The questionnaire was chosen as a means of quantitative data collection method. The online questionnaire was distributed through popular social media. Instruction to the questionnaire asked Hungarian nationality people living in Transylvania to fill in the questionnaire. The instruction also specified that subjects must have graduated university between 2005 and 2015 and are willing to contribute to the cohesion of universities and the labour market. This would help to obtain a clear picture of how they made use of the knowledge acquired during their university studies on the labour market. The questionnaire was forwarded to all Hungarian student organisations, youth organisations and alumni groups. Several respondents took the research topic very seriously and forwarded the questionnaire to their acquaintances and shared it through social media. In less than 2 months 379 responses were gathered.

Data was collected and analysed using Microsoft Excel and SPSS 20.0 statistical software. The first step was to interpret the data using descriptive statistics (frequency, relative frequency, distribution, scale data means and standard deviation) using single factor analysis. Two factor analysis was used to examine the relationship and correlations between different questions, crosstab tables were used to statistically validate the existing correlations, Chi-squared tests (analysing the adjusted residuals, and if their absolute value is greater than 2, then we can talk about a significant correlation) and correlation analysis. Varimax rotation factor analysis was used to analyse scale data obtained from the responses to one of the most important questions. Besides descriptive statistics, data analysis involved two-way and multivariate analysis of variance, such as crosstabs, variance, factor and cluster analyses (k-means clustering). A 6 point Lickert scale was used in order to avoid respondents' neutral responses, and forcing respondents to make a choice. In case of crosstab analysis standardized residuals were analysed which show the difference between the observed and expected values (Sajtos – Mitev, 2007). If its value is under -2 or above 2 the difference is 95% significant.

One of the most important aims of the research was to identify the different preferences of student segments when choosing a certain university. Cluster analysis was used to group these segments into homogenous units. Every unit was tested in multiple ways, but only statistically relevant and professionally explainable units were considered. The clusters were compared to other questions from the survey in order to get a more precise definition of each homogenous cluster.

## 4. RESEARCH RESULTS

## 4.1. Qualitative research – students' expectations, employers feed-back and B2B communication analysis

In the qualitative research three instruments were used: focus groups, semi-structured in-depth interviews and webpage analysis.

## 4.1.1. Focus groups

The aim of the focus group interviews was to identify students' expectations regarding higher education. Individual groups were formed as follows: two seniors and two freshmen from each university, but students had different majors. The research focused mainly on identifying general opinions about the educational system and students' specializations had no significant role to play.

The main topics of the focus groups discussion were the following:

- What are the factors high school students consider when they have to decide on their major they want to pursue?
- What is university students' opinion about higher education?
- What are the challenges/problems student see in higher education?
- What do students think about their acquired education? Will it help them in finding a job?
- How do they see future employers' expectations towards them?
- What would they recommend higher education services to improve? What would increase their satisfaction?

Focus groups proved to be useful for the research. They contributed to the accurate mapping of student's attitudes and thinking. As it turns out a significant per cent of students have no specific aims to pursue in the future. They did not choose a profession which is accurately aligned with their long-term goals since these remain to be set at a later time. If we can understand this tendency there is no surprise that their expectations are cloudy or non-existent. Very few of them thought about how they could improve their chances of finding a job, this might explain the low interest in extracurricular activities. Pursuing a certain degree is merely a trial. The focus groups' main conclusions are summarised in Table 1.

## 1. Table 1.: Focus groups' results

Questions	First year students' responses	Senior students' responses	
As a high school student what are the deciding factors when choosing a major/university?	<ul> <li>the most important factor is the financial possibilities of parents: will they support their studies financially in a big city with high tuition fees.</li> <li>they seem to have very little knowledge about their chosen field, and they are not sure if it suits their needs. They have a lot of questions and are uncertain about the profession of their choosing. Some say: " we will see if I will come to like it"</li> </ul>	profession. They belong to the following groups (education), 4 (natural sciences, math and IT), (healthcare and social welfare), 6 (technical science machine building and construction).	
- they have little first-hand experience, they most talk about what they heard from others they are unable to link first year curricula to the given profession, they still don't know enough about their profession of choice.		- they express concern about the applicability of their studies. They feel they are missing out on practice since there was no opportunity to see how they could apply their knowledge on the labour market.	
- since they have little experience and have challenges/problems students see in higher education?  - since they have little experience and have uncertainties they expressed their satisfaction we certain subjects and focused on whether they like subject or not.		<ul> <li>they highlight the lack of applicable knowledge. They speak highly about teachers who invited professional to the class and showed them how their knowledge can be applied but there are only 1-3 such examples in the entire study cycle.</li> <li>information given by teachers can be found online, students can read them and more emphasis needs to be put on practical application.</li> </ul>	

Questions	First year students' responses	Senior students' responses
Do you believe that you can find a job with the knowledge acquired at the university?	<ul> <li>students of Sapientia university are more confident, they heard from graduates that if they learn, undertake extracurricular tasks, go to competitions success is guaranteed.</li> <li>students of Babes-Bolyai university claim that</li> </ul>	<ul> <li>senior students' responses and attitude are concerning. They are uncertain and apathic. They hope they can find a job if they successfully passed all their exams. It remains to be seen on the job.</li> <li>another concerning attitude is that every senior student</li> </ul>
	they have more opportunities in a big city and they believe it is less important to find a job right away in their field of study. They believe that they will certainly find a job. Out of each group 1-2 students are certain that they will return to their home town.	group mentioned working abroad. If they can't find a job at home in their chosen field they will try to make a living in another country working jobs that don't require a degree.  - not a single group mentioned becoming an entrepreneur as a possible option. When they were asked about it, they replied that it is risky; they talked with teachers about the subject but ultimately dismissed it as an opportunity for new graduates.
Could you mention a few expectations of your future employers?	- they mentioned Romanian language skills first.  They know it is necessary but won't put effort into learning it.	- Romanian language skills are mentioned as the most important expectation. Only 4 respondents said that they took steps in order to improve their Romanian language skills they went to job interviews, job fairs, work experience came up as an important factor. They have better understanding of the necessity of practical skills and experience if they want to find a job quickly.  Students of Babes-Bolyai university would like to find a job abroad (45%) only 20% wants to return to their home town.

Questions	First year students' responses	Senior students' responses	
	first year stylents' suggestions were difficult to	tachous that are wealing muchasionals have more weeful	
What are your suggestions		- teachers that are working professionals have more useful classes. Students also recommend the invitation of	
that would improve higher	learn so much"), but they also mentioned that the		
education? What factors would increase students	university should help them in finding a job.	- Materials that can be found on the internet should become	
satisfactions with their		homework. There is a need for practical applicability,	
education?		practice and keeping in touch with future employers.	

Source: own elaboration, 2018

## 4.1.2. Interview analysis

The second pillar of the qualitative study relies on semi-structured interviews conducted with employers. Participants were chosen based on relevant ISCED fields. For each ISCED field two employers were chosen. The respondents received topics, and they were asked to talk about these, occasionally guiding questions were asked. The research questions were inspired by a 2013 study conducted by Manpower. In this study 35% of companies complain about lack of talent, experience, hard and soft skills and industry specific knowledge.

Employers were asked to express their opinion about new graduates' professional knowledge and experience. They were asked to point out problems they see. They also had to give an opinion about higher education, good or bad, and to formulate suggestions to improve education. Respondents were asked to recall opinions and views they might heard at professional forums or from their partners on the subject. These can be used to obtain a more accurate picture of the situation. The most important findings of the interviews are summarized in Table 2.

Table 2: Summary of semi-structured interviews

ISCED fields	Respondent no. 1	Respondent no. 2
Education	General school director  According to his responses new graduates who want to become teachers are well prepared, the only lack he noticed is lack of commitment, acting professional and exemplary behaviour. Graduates have no idea what's waiting for them at their workplace.	adults requires a commanding presence, another factor is work experience and it is something they can't do without.

ISCED fields	Respondent no. 1	Respondent no. 2	
Services	Hotel manager  A minimum of theoretical knowledge is required but university degree is important, so is an open personality in order to be effective at networking and taking interest in a wide variety of topics is also important.  The most important requirements are self-awareness, worldly experience, communication and being open to new things.	Travel agency manager  Only a minimum of theoretical knowledge is required. Candidates need to be tech savvy, good at communication, solving problems, speaking foreign languages, and curiosity.  He believes that employers' indolent in education is a must. He would also agree to cooperate with the university.  One of the major challenges he sees is getting young people out of their comfort zone.	
Agricultural science and Zootechnics	Agricultural engineer  Has overall positive experiences regarding graduates, they tend to adapt and want to prove themselves. Technologies and methodology learned at the university are not applicable in practice since they are incompatible. He believes that this profession can be learned on the field.	Veterinarian  Zootechnics is rapidly developing; machine equipment is more often used and students don't always learn to apply new instruments. Operating new equipment can be learned only after graduation by attending training which they have to pay for often organised by the same university. Practitioners need to be involved in education.	
Humanities and arts	The biggest problem is the lack of talent, but with enough tenacity you can get a diploma. Once there is a diploma one must be hired.  Talented artists lack foreign language skills and management skills.	Library director  The profession has changed, education is not keeping up. There is a need for communication, organizational, language skills as well as PR knowledge.	

ISCED field	Respondent no. 1	Respondent no. 2	
Natural sciences, Mathematics and IT	Research lab director  He takes every opportunity to allow students to do internships and also employs recent graduates.  Natural sciences can be taught at the university.	Software company director  Programming is a very fast developing field it is hard to prepare students well. Teachers should also learn every year in order to keep up.  Teachers don't want competition this is why they don't teach everything.	
Healthcare and social welfare	Health centre director  Complementary sciences of medical science are treated as foster children of healthcare. They are useful from a social perspective and theory can be taught pretty well at a university. He recommends ground-breaking changes in this field calling for 6 months of practice after each year of study.	Hospital director  During the research the hospital director proved to be the most dismissive. He simply would not talk about the topic of interdependence between education and practice. He only talked about the low salaries of employees and the fact that top professionals are leaving to work abroad. He refused to talk about the relationship between the labour market and education.	
Technical sciences, machine building and construction	Director of a construction company  He talks about the lack of practice and the use of outdated equipment. A successful well-prepared construction engineer has to wok an additional year side by side with an experienced colleague, only then is he able to complete his work alone. This is the main reason he does not employ recent graduates.	Production automation company director  He has a good relationship with educators in the field in order to secure the best students for his company. Graduates are willing to work for less money and they can learn quickly.	

ISCED field	Respondent no. 1	Respondent no. 2
Social sciences, business science and law	Director of financial and economic consultancy firm  Business science graduates have a hard time differentiating real world economic situations from what they learned. He recommends dual formation. He also mentioned the lack of Romanian and other foreign language skills. In business speaking English, Hungarian and Romanian is the bare minimum.	There are similar problems as in the case of economic sciences. The company director had a lot of experience with graduates and sees the problem with putting theory into practice. He suggests a transformation of the curricula since it can be accessed almost anywhere. More emphasis should be put on practice and simulation of

Source: own elaboration, 2018

## 4.1.3. Web page analysis

A webpage analysis was conducted on both the Sapientia and Babes-Bolyai universities' webpages. The focus of the analysis was on B2B communication using a standard set of criteria. The aim was to find out how higher educational institutions communicate with employers and companies, the "users" of higher educational services.

The webpages are optimized for search; there are only a few mistakes. It is obvious that they were built carefully and focus on online communication; however their main audience is made up of potential students and recruitment marketing. They don't try to communicate with companies. Current cooperation with companies is unknown. There is no information that might interest entrepreneurs. There is no opportunity for an entrepreneur to register or to get to know the forms of cooperation they might offer (internships, joint research, services).

Neither of the two examined webpages satisfies B2B communication requirements. We need to offer information to entrepreneurs and present successful projects. We need to publish research relevant to the business sector and project ideas that can be a ground for cooperation. Universities are in fact the party that needs this cooperation most. This is why they should communicate with efficiency and provide meaningful information to entrepreneurs.

## **4.2.** Qualitative research – evaluating feed-back from successfully employed graduates

The online survey was distributed using the most popular social networks. The headline was addressed to Hungarian former students living in Transylvania who graduated between 2005 and 2016. They were asked to help improve the relationship between universities and the labour market. Their answers would give us a clear picture about how well they managed to use what they learned at the university on the labour market. Classes 2005 till 2016 were chosen because 2005 was the first graduating class of Sapientia and 2016 because for accurate answers it was necessary for graduates to have at least 1 or 2 years of experience. Cluster analysis was used to establish segments. These segments are presented in Table 3.

Table 3: Summary of segment features based on cluster analysis

Name	Taking it easy	I am staying home	Well defined career path	A career is possible using my mother tongue
Main characteristic	I will attend a university. I'm not going to go to work right away.	Close to home and Hungarian education.	Special field, conscious choice. Mother tongue is not important	Well defined career path, mother tongue is important.
Scores	Reputation of the university: 3,48  -Being able to lean on my mother tongue – 3,51  Quality of education – 3,93	Proximity to my home: 5,52  Leaning on my mother tongue: 5,28	Potential financial gains in the chosen field: 4,28  Quality of education: 5,21	Quality of education: 5,5  Further education prospects: 4,09  Mother tongue instruction: 5,03
Which university do they attend?	Mostly Babes-Bolyai university (BBTE) and the Sapientia Hungarian University of Transylvania	75% Sapientia	46% "other" university	51% BBTE 37% Sapientia
Language of education?	Hungarian	Hungarian	Romanian	Hungarian
Romanian language skills	35% advanced 40,6% intermediate	17% advanced 47% intermediate	35% advanced 43% intermediate	20% advanced 50% intermediate
Post university studies	73%	54%	67,1%, 7,1% second BA degree	67%

Name	Taking it easy	I am staying home	Well defined career path	A career is possible using my mother tongue
Professional deficiencies	55% own fault, blame themselves	33% blame themselves 30% blame educational system 20% blame changing professional conditions	58% blame themselves	42,1% blame themselves  27,9% - blame educational system  19,3% - blame changing professional conditions
Other important variables	Developed professional interest at university, interested in practical examples, can use their university studies and knowledge acquired only partly	5% top-management, 20% middle- management, salary of 22.4% is above 3500 RON.	Wouldn't accept job offers abroad, 73% satisfied with their jobs, 60% knowledge acquired at university is vital, 54% no correspondence between university studies and labour market/job expectations	90% acquired practical experience during their university studies.  Compared to other clusters, they can be characterised by the lowest ratio of finding a job.

Source: own elaboration and analysis, 2018

## 5. NEW AND RECENT SCIENTIFIC RESULTS, CONCLUSIONS AND RECCOMENDATIONS

In this chapter the hypotheses are verified and confirmed and the scientific results are formulated based on the theoretical part and research results.

## 5.1. Validating aims and hypotheses

H1.: 1. Graduate students of the Sapientia Hungarian University of Transylvania and Babes-Bolyai University – the two major players on the higher education market – have very different opinions about the education they received.

The hypothesis was disregarded since neither the survey nor the focus group discussions revealed any significant differences in respondents' perception of the two major higher educational institutions. Sapientia is the new player on the market and at first people were reluctant to trust it, especially influencers on high school level (teachers, school directors), the competition was also hostile, and business players have also had doubts about graduates of Sapientia. Despite all the initial doubt the university has earned its place and graduates haven't noticed any difference in the education they received and how well they were able to use it on the labour market.

H2. There is no significant difference between the graduates' perception about de applicability of their studies on the labour market.

The hypotheses were based on personal professional experience and the relevant literature, this hypothesis was not validated since the findings of the research indicate that there are differences in the applicability of theoretical education. In the online survey several questions are geared towards defining divergent opinions about the applicability of theoretical knowledge. Students from different fields of study have different opinions about the applicability of their studies. Those who already graduated have tried themselves on the labour market. There is noticeable difference between their currently held position and their degree, Zootechnics (6/6), educations (5,57/6) and healthcare (5,15/6) are closest to the ideal overlap, meanwhile services have the smallest overlap (3,25/6). This of course depends on different job opportunities in the field, the number of available positions and how specific a given field is. Survey results were confirmed by the semi-structured interviews. Entrepreneurs also believe that in their field theoretical knowledge is essential to success.

H3. Those graduates who already tried themselves out on the labour market believe that the biggest problem in higher education is the lack of practical training.

The qualitative research was based on a questionnaire which contained open ended questions. Respondents were asked to express their views regarding the extent to which higher education prepares them for the labour market. 90% responded and based on the opinions it is clear that student's greatest difficulty was to put theory into practice. Every response mentions this problem; students agreed unanimously that they could not apply what they studied right

**after graduation.** Dual formation/education was mentioned as a possible solution. Teachers should invite professionals, experts to help cope with this aspect of education. It is important to consider that successful former students who participated in the survey have accumulated work experience and they are skilful in their profession. Their opinion is relevant for this reason because they have experience that backs up their feed-back. The hypothesis has been validated.

H4. The language of teaching is one of the most important factors students consider when choosing a university and it is closely followed by the distance between their home and the university.

The above hypothesis is valid since being able to learn in their mother tongue is very important for students and it affects their choices. There is a very clear delimitation of the clusters on this, some students say it is the primary factor when choosing a university. Learning a profession in their mother tongue is considered important by most Transylvanian Hungarian students. 60% of the respondents mentioned learning in their mother tongue as a major decisive factor. Overall language of education just came in second after quality of education among the top decision influencing factors. The results also show that learning in a Romanian language environment does not automatically mean that students will acquire the Romanian language better. The distance between students' home and university is also an important factor mentioned by respondents. For some it is important to be closer to their home (45% of respondents), and others prefer studying farther away from home (13%). These results are well observed in the clusters as well. In two clusters distance between the university and the students' home appears as a marginal point, in one cluster students prefer studying closer to their home, while in the other cluster, they prefer learning farther away from their home.

H5.: Theoretical knowledge is not the first thing employers are looking for when they are recruiting.

Quantitative research methods were used to analyse feedback from successful former graduates. These students have already succeeded in finding a job in their chosen field and they were asked to share their opinions regarding the most important skills required by their employers. Out of nine possible answers, theoretical knowledge was ranked 6<sup>th</sup>, only 21% of the respondents consider it to be absolutely important. Theoretical knowledge is preceded by communicative competence, ability to work in a team, Romanian language skills and practical experience. The hypothesis has been validated and quantitative data is supported by the semi-structured interview results.

Qualitative data did not reveal in fact any deficiencies in theoretical knowledge that students might have failed to learn or were not taught. Employers emphasised the lack of professional experience, weak communicative competence and being able to handle challenges. Employers in their respective fields agreed on the necessity to put students in real life situations and the need for a better and stronger cooperation between educational institutions and prospective employers. Employers suggest that universities should put in effort and create possibilities for students to gain work experience. Respondents say that they and their business partners and colleagues are open for cooperation with universities and teachers so that students should gain some work experience before graduation. They also see the difficulties in

finding qualified employees therefore they also admit to have a role to play in preparing the young generation for the labour market. The hypothesis has been validated.

C1.One of the aims of the present study is to investigate students' expectations towards the university; whether they have clear expectations on education, what services and courses do they need in order to succeed on the labour market.

Primary research revealed that we are facing problems that could have been tackled in high school. Transylvanian students do not have a clear image about the meaning of their field of study, in most cases they don't know what subjects they will learn and they cannot imagine how they can use that knowledge on the labour market. Focus group data shows that students are not able to map their own career path and have no idea about their future career. The survey also contained questions related to this subject, namely decisive factors in choosing a university. Answers revealed that a large number of respondents considered field related factors less important.

Before the survey and focus group discussions there was indication that students who are currently enrolled do not possess a well thought out set of expectations towards the university. This was confirmed later during the analysis. The public education in Transylvania has a significant deficiency; they don't offer career guidance or counselling to students.

C2. Another aim of the present paper is to examine the communication between universities and entrepreneurs, specifically the nature of universities' institutional B2B communication.

The present study does not consider sponsorship or the willingness of companies to give financial resources. However, previous studies suggest that their basic idea of providing support is flawed. In the western countries it is common to give and receive support, here this is unknown. Analysing the two universities' web pages it was clear that there is a dedicated tab for sponsors. This sub-page contains a description of the forms of support they can accept; furthermore there is a simple list of previous sponsors' names. There is no emotional appeal, there are no testimonials. There is no call to action addressed to companies inviting them to cooperate. There is no mention of possibilities and ways on how the institution might be useful to economic players. Even if institutions are aware of the synergies they need to accomplish they do not communicate it to economic players.

C3. Qualitative research was also focused on analysing employers' expectations towards new candidates they might hire. For this purpose, employers' expectations and experiences were also analysed.

The semi-structured interviews revealed that **theoretical knowledge is important based on the majority of opinions but it is not the most important.** Employers believe that in order to be effective at work one needs several other skills; for example, many of the respondents mention experience, practical knowledge as indispensable; they also mentioned language skills and communication skills.

All three segments analysed (students, former students, company directors) agree on the biggest problem they have to face: universities failed to show students on how to put theory into practice. They should create situations in which students can apply what they learned

**in class.** A great number of employers would like to play a role in higher education, in order to make use of their experience and take their opinion into consideration.

## 5.2. Presenting the new and current scientific results

Based on the literature and the research that has been carried out the following recommendations have been formulated:

# R1. A model has been proposed that could be used by higher education service providers. This model accounts for current trends in higher education and is based on the GAP and HIPI models.

The aim of the model is to make use of modern technology and with it to reduce the informational GAP between the service provider (higher education institution) and buyer (student). If we make use of advanced instruments at hand (video recordings of lectures, online sharing, creating interactive platforms, online tests, online examination) we are able to mix the two basic models: parts of the education can be provided in the students' natural environment (using smartphones, tablets, materials can be accessed anytime and anywhere) and personal consultation would take place at the institution. This new model also calls for the institutions to create a user-friendly interface.

Recording the lesson reduces variability (the teachers' current mood does not affect the quality of the service), it is no longer inseparable (students can access material anywhere) and it allows the storage of the materials (eliminating the HIPI model).

- S1.1. The GAP model can be improved by incorporating feedback from successful former students who already found a job in their chosen field. This would reduce discrepancies between higher education and the labour market while increasing efficiency. (The results are based on the conclusions of the focus group discussions and qualitative research.)
- S1.2. Technologically innovative solutions should be integrated into higher education this way the HIPI principle of services can be eliminated: higher education as a service is no longer inseparable it is less variable and it becomes partially storable.
- S1.3. If higher educational institutions manage to integrate new trends into their service they also need to adopt and online marketing approach to their activities. According to the service provision model, the location of the service needs to be chosen carefully. The interface must increase trust and satisfaction, since this is the new environment where institutions communicate with students and publish online courses.

# R2. Focus group discussions and the survey have both confirmed that the majority of students are not consciously choosing any given profession. They have no idea about what it entails and they don't have a clear professional path set for the future.

The majority of students who participated in the research have no set plans for the future. Their choice of degree does not coincide with their long-term goals since these remain to be set at a later time. Respondents have no clear-cut expectations towards higher education. Students don't think about ways they can increase their chances of getting a job in their field, hence they are not

interested in extracurricular activities. They seem to be guided by undefined goals; they are merely taking a chance on their future. Focus group results indicate that nowadays students think differently, they won't always become what they planned when they started university. The current generation tends to act on impulse without making plans. They try a university and a field, but if they get to like something else during their studies they also might try that. It is quite possible that even after several options they remain indecisive, choosing yet another field without planning to stick with it. This generation has minimal need to plan ahead, mainly because they have access to modern technology that can eliminate the problems posed by distance.

- S2.1. It would be useful if universities reached out to high school students and offered them guidance and counselling in choosing a career. High school students could get to know certain fields, as well as, how it could play out for them, success stories could also be used to convince them.
- S2.2. The survey made it possible to segment students in order to analyse them in separate units. The features of these segments can be useful when universities are building a marketing communication campaign.
- S2.3. The responses from the survey were used to draw conclusions: successful graduates already working in their field have not followed a set career path ("take it easy" cluster). Universities need to pay attention to this particular target group since it is their responsibility to promote the profession to indecisive students. The profession they ended up with by "taking it easy" and prepare them for the labour market.
- R3. Based on the semi-structured interviews and the survey it can be said that employers don not consider theoretical knowledge as the most important skill to have when hiring, although they emphasize the importance of having a university degree. Based on the website analysis it can be observed that universities lack B2B communication towards entrepreneurs.

Successfully employed graduates agree that universities should teach students how to put in practice the theoretical knowledge they have learned, they should rethink and revise the course contents so as to focus on practical tasks. Moreover, universities should provide students with possibilities to gain professional experience by involving companies, institutions and professionals of a given field. Together they have to develop exercises and task that enable students to cope with the realities of the labour market. Employers' answers indicate that they are open to cooperate with universities, they are happy to share their knowledge and experiences. Therefore, universities should exploit these possibilities without becoming biased.

S3.1. I suggest launching a mentor programme that would allow for a dual training. Although Romania does not have any legal framework for dual programmes, it can still be implemented with the help of teachers and professionals. Research results show that employers are open to such cooperation with universities and they would be happy to help them with their expertise. I would suggest a programme with three parties involved: the students, the teacher who has the role of the intermediary and the company director who shares his expertise and advice.

S3.2. Furthermore, I recommend rethinking B2B communication in order to maximize its potentials. As research results suggest, being on the top of the international quality management list does not have an impact on employers' choice of employees. Rather they would like universities to make use of their expertise. I would highlight the fact that successful implementation of the above can be accomplished only by continuous communication between the two stakeholders and surveys are conducted in order to obtain employers' feedback.

# R4. The results of the present study show discrepancies between the placidity of theoretical knowledge across fields, therefore it is necessary to think of specializations as separate product brands.

- S4.1. Cooperation between higher education and the business sector is vital. There is a need for systematic well-structured joint project. I recommend involving a few employers from each field who would act as consultants and regularly hold meetings with teachers in order to develop practice-oriented course content. Therefore, I suggest taking into consideration employers' and employees' experience and advice in order to improve higher education. (Based on R3, R4)
- S4.2. Universities need to realise that it is not enough to have a consolidated brand image as there are huge differences across different specializations, so I suggest that in case of each specialization a unique marketing strategy should be applied.

# R5. As an overall result of the present study a new higher education model has been developed with the aim to enhance competitiveness of Transylvanian higher education institutions.

The first unit on Table 40 contains the inputs: economic factors, political and social variables, students' expectations, employers' expectations and international trends in higher education. We need to consider all these variables if we want to develop a model meant to help higher education maintain its competitive edge. These inputs—detailed in the theoretical part of the paper—should be analysed using a well-structured methodology that will help us chose the proper research methods.

The second big unit in the model carries its unique elements. This is where the model I proposed is placed (detailed in R1) together with the quantitative and qualitative research carried out by me. The theoretical model combines the principles of the HIPI and GAP models reducing the informational gap between the service provider and beneficiary. Furthermore, I developed a questionnaire that was used in an online survey aiming to collect feedback from former students who were successful in finding a job in their field. The B2B communications analysis of the universities, focus group discussions and semi-structured interviews with employers in the region are the basis of this part of the model.

The third pillar of the model contains the research results and the recommendations formulated based on the obtained results. These recommendations help reduce the informational gap between service provider and beneficiary, minimising the variability of the service. Furthermore, it contributes to the adaptability of universities to labour market conditions and requirements. According to the model career counselling programmes start in high school and employers' and successful former graduates' experiences and advice are incorporated in the course content and curriculum. Based on my research I recommend treating individual specialisations as different

product brands with their own unique marketing communication strategy. The cluster analysis revealed segments that should be used when we want to define the target audience and positioning.

The present model (Figure 2.) will increase or maintain the competitiveness of a university if every actor within the institution will contribute to the process and if that process is systematically repeated. The volatile nature of higher education and the parties involved require the repetition of the surveys and feedback collection in order to maintain the competitive edge. The competitive environment needs to be monitored at all times, research needs to be carried out periodically and the results must be incorporated for the benefit of the university.

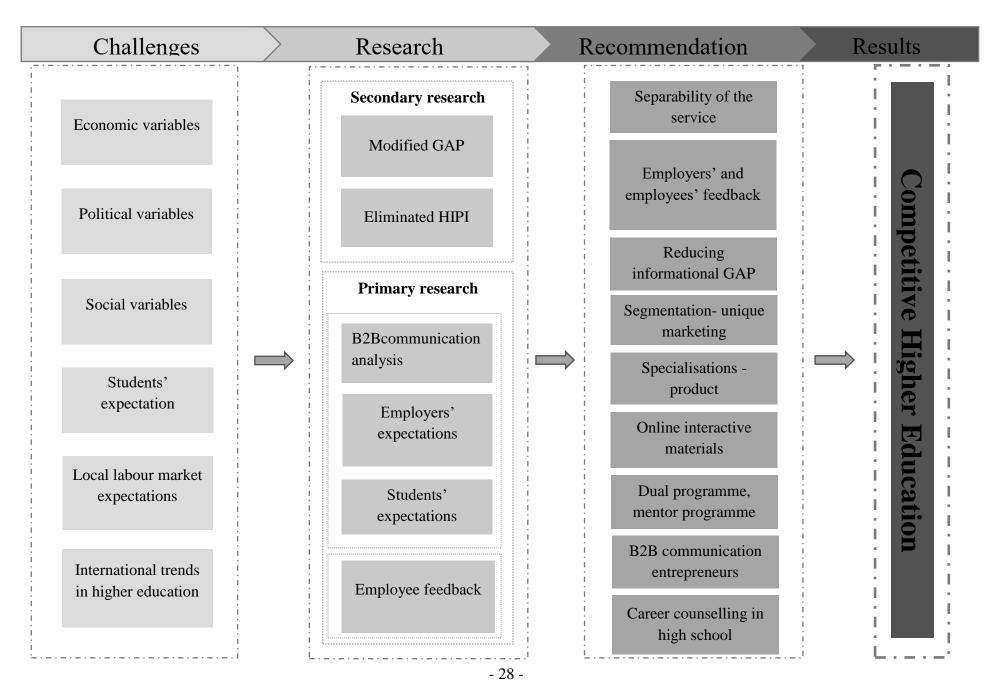


Figure 2: Higher education marketing-model: based on modified GAP model and HIPI principles, taking into consideration actual trend, and the results of the empirical research together with the suggestions formulated Source: own elaboration based on literature review and author's own empirical research, 2018

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