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CHANGING THE PARADIGM OF THE RELATIONSHIP BETWEEN EDUCATION AND BUSINESS IN THE CONDITION OF THE TRANSITION TO THE KNOWLEDGE ECONOMY

Introduction
Education in Ukraine, including higher education, is a driving factor in the development of the country, its economy, the establishment of relevant business processes as factors in realizing the potential of enterprises. The staff is one of the most important resources on which the efficiency of any enterprise depends. The quality of work of employees plays an important role and occupies a special status in the overall system of business processes, as the success of the company is largely determined by how business processes are aimed at achieving its strategic and tactical goals, and how these processes are effective. And the effectiveness of the employee depends on the quality of his education, competencies, understanding of the requirements and objectives, adaptation to business processes. Such qualities of a specialist can be endowed only when the educational processes meet the requirements and realities of modern business. Therefore, an important issue today is the establishment of mechanisms for cooperation between higher education institutions, business representatives and students, which will improve the quality of Ukrainian higher education and stop the migration of the younger generation.

Subject, object and research methods
A significant contribution to the study of the importance of higher education and combination with business was made by scientist LKSemov, who studied the importance of the educational component of the triangle “education - science - business” [1]. K. Shklyaruk noted that business education is designed to prepare entrepreneurs and business leaders who can meet the current challenges of globalization of the world market and manage the development of a new innovative economy based on knowledge [2]. V. Pokidina proves that the labor market of Ukraine is characterized by professional and qualification imbalance of labor supply and demand [3]. The purpose of this article is to study the compliance
of education received by students as a result of studying in Ukrainian higher education institutions to the needs of business. The subject is the possibility of quality cooperation between educational and business institutions, the impact of results on the development of the country's economy. Among the used research methods are analysis, synthesis, comparison, generalization and systematization of data from sources of scientific and statistical information to determine the essence of value-motivational competencies of the future specialist.

**Research results**

Today’s Ukraine - a war unleashed by a neighbor-aggressor, is devastating everything in its path: killing civilians, destroying infrastructure and business, destroying towns and villages, all of which have dealt an irreparable blow to the country but not subdued the people. According to World Bank forecasts, the fall in GDP in Ukraine by the end of 2022 will be up to 45%. The International Organization for Migration reports more than 11 million people who have been forced to leave their homes, more than 6.5 million of them within the country. Most of them are women of working age, children of preschool and school age and students studying in vocational and higher education institutions. Even before the war, Ukraine had a problem with the gradual decline of the working population, which was declining due to the prevalence of deaths over births and the large number of people going abroad to study and work. Today, this problem has intensified, as some of these citizens are unlikely to return to Ukraine.

Therefore, there is a question of retention and return of youth and students to Ukraine, which requires immediate reform of vocational and higher education, because after the victory the country will need quality new professionals with innovative approaches to rebuilding the country.

According to statistics, there are about seven institutions of higher education per 1 million population in Ukraine - universities, academies and institutes [4].
There has been a 32% reduction in higher education institutions since 1991, mainly due to a reduction in vocational education institutions (colleges, technical schools and colleges). At the same time, the total number of graduates increased by 6.6%, and if we take the average number of graduates per institution increased by 56% compared to 2020 to 1991. Unfortunately, this happened at the expense 2.4 times increase in university graduates and a decrease of 77.5% graduates of technical and vocational education institutions (Fig. 2).
The level of higher education coverage in Ukraine is about 83%, this is much higher than in other countries, but the number does not match the quality. Accordingly, today the country is experiencing a shortage of specialists in technical professions and overloaded with diplomas from universities that do not work in their specialties. The youth unemployment rate in Ukraine exceeds 18% and is one of the factors of labor migration.

According to the human capital index, Ukraine has a high rating, rose by 14 positions, but much lower than the nearest neighbors [5].

Table 1. Component indicators of the human capital index in Ukraine in the section "Education"

<table>
<thead>
<tr>
<th>Indicators of human development in Ukraine. Education</th>
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<tbody>
<tr>
<td>Percentage of higher education coverage</td>
<td>83</td>
</tr>
<tr>
<td>Proportion of graduates of scientific, technological, engineering and mathematical programs in higher educational institutions (%)</td>
<td>28.8</td>
</tr>
<tr>
<td>Proportion of graduates of scientific, technological, engineering and mathematical programs in higher educational institutions (%)</td>
<td>71.2</td>
</tr>
<tr>
<td>Current expenditures on education (% in gross domestic product)</td>
<td>6.6</td>
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Among the indicators that have a negative impact on the human capital index are low employment in fast-growing innovative enterprises; disinterest in
learning during all life; low business opportunities; minimum public-private research funding; insufficient entrepreneurial activity, number of high-tech industries and science-intensive services, etc.

Higher education, in the form in which it remains today, is based mainly on theoretical knowledge with a minimum of practice, when practical skills a student must acquire in the first place of work, has actually lost its effectiveness and relevance. Most teachers have virtually no practical experience - only 5.7% of doctors and candidates of science worked in the private sector, 60.7% of them work in the public sector, 33.6% - in higher education.

However, technical progress and increased business requirements today do not have time for practical training and retraining of specialists after graduation, so it is worth talking about cooperation between universities and business from the beginning of student learning. At present, close cooperation has not been established between enterprises and organizations, in fact potential employers, as well as teaching staff, higher education students and their parents in terms of curriculum development, educational process monitoring, development and updating of educational services.

It is clear to the world community that tomorrow represents the need for innovative economic transformation by unlocking the human potential for creativity to develop revolutionary technologies and new products, services and markets in which they will be used. Thus, according to the 2020 survey, Ukraine has worsened its competitiveness ranking, ranking 55th and remaining the least competitive among Western and Eastern European countries. In terms of innovation ranking, Ukraine ranked 45th, showing the best indicators related to education (23rd place), knowledge and technology (25th place), qualifications (quality) of human capital (39th place), creative inventions (44th place). At the same time, the rating was negatively affected by a number of factors, including low rates of investment activity in innovation (121st place).

Expenditure on research in Ukraine is 0.43% of GDP, while the average for the European Union is 2.12% of GDP.

One of the factors influencing the level of development of the country is to stimulate and expand investment in research, innovation and invention, which can create new "markets of tomorrow" [6]. The ability of this area depends on business and science collaboration on long-term research projects, equality, gender diversity, companies' propensity to rely on professional leadership, the presence of women in technical positions and ownership structures, fairness, openness and inclusiveness.

Due to limited data, the World Bank studied two indicators - the state of research and development on 15 new technologies and the role of the public sector in stimulating the development of these new developments and technologies. According to the results of such research, the most prepared countries for the emergence and development of innovative "markets of tomorrow", including
Finland, Japan, the United States, South Korea and Sweden. Given that Ukraine is not included in the above analysis of economic opportunities and prospects, conducted by WEF experts, should use the general proposals and recommendations developed by this organization to shape its government policy to transform the economy to increase competitiveness in new market conditions [6].

On April 14, 2022, the Strategy for the Development of Higher Education in Ukraine for 2022-2032 (hereinafter - the Strategy) was published on the website of the Cabinet of Ministers, approved Order of the Cabinet of Ministers of February 23, 2022 № 286-r [7], as a detailed road map for rebuilding and continuing to reform the higher education system postwar period. Together with the Strategy, the operational plan for its implementation was approved and it was noted that the implementation of the tasks set by the Strategy will reduce the destructive consequences caused by the full-scale invasion of the Russian federation into the territory of independent Ukraine.

Interestingly, the Strategy identifies a number of key issues that exist in the higher education system and negatively affect opportunities for further development. For example, part of the identified problem 4 on page 10 of the Strategy states, among others, identified as a result of research on the quality of higher education, the following fact: “competencies, excessive amount of theoretical training and insufficient practical training in students there is a decrease in motivation to its complete disappearance to study and future work in the specialty” [7].

In other words, one of the most pressing issues in higher education reform is to minimize the significant gap between the requirements of employers and the proposals of higher education institutions and research institutions, as there is now a mismatch between the competencies that higher education seekers must acquire.

According to the Plan for the implementation of the Strategy, which is carried out in three stages, only the third stage (2029-2032) provides for the expansion of educational ties with science and business, integration into the world educational and scientific space. The Strategy declares that an integral part of the policy of quality assurance in higher education is the experimental implementation of the dual form of higher education through the development of cooperation of higher education institutions with employers, involving labor market representatives in the formation of educational programs and standards of higher education, permanent funds (endowments) of higher education institutions.

Today in Ukraine there is a war, the country needs maximum efforts to achieve victory, as well as reconstruction, restoration, return of the population home. Any working hands are not superfluous, and especially highly educated specialists in various fields. Therefore, the first effective step should be to involve business in the development and redesign of curricula, reduce the hours of non-
professional subjects that are not relevant to further specialization and work in the specialty, instead of expanding hours of practice, internships and more.

Also, it should be noted that business is reluctant or formal to accept students for internships, and even more so for internships or jobs, because companies need already practicing specialists with work experience. The task of the state reform is to establish contact with business representatives, because by cooperating with educational institutions during the entire period of students’ study, companies can raise the necessary specialists for themselves, without having additional material costs - for additional training or time - for training after employment. To better understand the needs of business, first of all it is necessary to establish internships for teachers in enterprises, as well as provide preferences for teachers-practitioners, attract business representatives to attend classes, lectures, practical work in enterprises, which will timely adjust the teaching process and interest students. The direct acquaintance of entrepreneurs and businesses encourages a constructive dialogue with higher education institutions, selects graduates desired by employers, and encourages students to improve their learning outcomes.

It is worth mentioning J. Wind, a professor at the Wharton School of Business, USA, who emphasizes the importance of two components:

1) method of learning - from passive perception of knowledge to learning through the implementation of real projects and the reproduction of new knowledge;

2) content, time and place - to be continuous in time and space, because a person can learn at any time in any place [8].

Strengthening the practical component of the curriculum will provide an opportunity to more effectively combine theory with practice to obtain the best results.

One of the directions of development and improvement of educational services can be the organization of scientific laboratories on the basis of the educational institution, provision of research, analytical and other services, development of new methods and technologies as a result of joint work or business order. International grant programs can be used to organize such facilities, so Ukrainian educational institutions should intensify work in this direction, following the example of foreign universities. Businesses should also be encouraged to invest in school reform and development, as, for example, the major Silicon Valley giants Apple, Google, Facebook, Windows, Netflix and Salesforce have made Silicon Valley a well-known hub for IT professionals. from around the world.

It is also worth developing the direction of cooperation between students, universities and business on retraining; conducting courses, seminars, workshops, trainings to order business. Today, many different schools have emerged, but as separate business structures that attract potential consumers of services, although
this niche could be a separate opportunity for educational institutions to promote the system of lifelong learning and the possibility of additional earnings.

Examples of active cooperation between educational institutions, students of economic faculties and companies in Ukraine include Ernst & Young, Philip Morris Ukraine, Procter & Gamble, which help students gain practical skills on the one hand and increase their popularity as employers on the other [3]. It is worth noting the importance of employers' interest in the early stages of student learning, as so-called freelance or temporary contracts have become increasingly popular, and such forms of cooperation are chosen by the best professionals who are usually motivated, growth-oriented thinking. Higher education institutions should take these trends into account when developing curricula and further training.

Conclusions

Thus, the study confirms that the transformation of Ukraine into a self-sufficient state with a strong economy is impossible without the formation of powerful educated professionals in various fields. Competitiveness and living standards of the country are directly proportional to the development of innovation and the availability of quality professionals. The educational front is no less important than the military front, so even in difficult conditions it needs to urgently address the problems of reforming higher education institutions and bringing the quality of their services to market, strengthening the link between the scientific sector and business. In order to prevent the loss of potential human resources, the future of the country, in today's war, it is necessary to take drastic measures to review the proportion of vocational and higher education, curriculum development and strengthening the practical component of the student curriculum. The war in Ukraine should be the beginning of reforms in higher education in terms of bringing the quality of education and knowledge closer to the actual requirements of business. Right now, Ukraine has the opportunity to take important steps to return Ukrainian (and not only) students to the territories of domestic higher education institutions, as well as to confirm to the world the status of Ukraine as a highly educated European country with a prosperous future.

References

Abstract

The development of business-oriented higher education and its investment support is one of the strategically important tasks for Ukraine, as it needs urgent reforms. The article examines the dynamics of the number of higher education institutions and their graduates since the beginning of the state. The influence of education quality on the formation of human capital indices and competitiveness of Ukraine is considered. The relationship and dependence of quality education and development of innovative “markets of tomorrow” for the country has been confirmed. The Strategy for the Development of Higher Education in Ukraine for 2022-2032 in terms of coordination of cooperation between higher education institutions, students and business has been studied, and the expedient directions of intensification of these processes have been analyzed.

Keywords: education, higher education, dual education, competencies, qualifications, human capital, professional and qualification imbalance, educational and scientific space, freelance, reforms

JEL Classification: M21,