THREATS AND OPPORTUNITIES ON THE CURRENT CZECH MARKET WITH UNIVERSITY EDUCATION

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Abstract

Purpose and background: The political and economic changes that took place in the Czechoslovak Republic after the Velvet Revolution and in the Czech Republic founded in 1993, have fundamentally influenced the education market. The market has expanded considerably on the tertiary level of education. Private universities and new faculties and study programs at existing universities were established. A new educational structure has been introduced: a bachelor, magister and doctoral program. These changes bring new opportunities for students, but they also endanger the education market. Many fields of study produce a small number of graduates, which causes some faculties to become at risk of existence. Other study programs produce a large number of graduates who have little chance of applying in their field of study. The aim of the paper is to answer the question: What opportunities and threats characterize the current Czech market with university education?

Key points: The Czech education market is opening up to the international market. Czech students start studying at foreign universities and foreign students at Czech universities. There are new opportunities for cooperation, but also new problems that have not yet been explored. The reflection of the Czech education market can be inspiring for both universities and for experts coordinating international education program.

Methodology: Demographic data and documents of the state administration, especially ministries, are research objects. SWOT analysis and thematic analysis will be used. The findings will be confronted with empirical researches that dealt with the Czech education market.

Keywords: University, education, Czech education market.

1. Introduction


According SWOT analysis, categories “opportunities” and “threats” are external factors in relation to universities as social and business organizations entering university education market. Two other basic SWOT categories, “strengths” and “weaknesses”, are internal factors in relation to universities (Hill, & Westbrook, 1997). The study seeks to identify these four categories (or “themes”), which represent trends in the Czech university education market between 1990 and 2018, using thematic (content) analysis in documents or sets of data (Guest, 2012). There are new opportunities, but also new threads that have not yet been explored. The analysis of the external and internal environment makes it possible to uncover perspectives and problems of the current university education system.

2. Changes in the Czech lands after the Velvet Revolution in 1989

The peaceful course of the Velvet Revolution taking place between 17th November and 29th December 1989 in the Czechoslovak Socialist Republic was given by the fact that the Czech politics was no longer governed by the Union of Soviet Socialist Republics and by its Communist Party. The evidence for this is the fact that the Soviet military contingent that remained in Czechoslovakia after its occupation by the armies of the Warsaw Pact on 21st August 1968 left the Czechoslovak territory in 1991. In June 1990 political movement Civic Forum won the democratic parliamentary elections in Bohemia and Moravia and
a corresponding political movement called Public against Violence in Slovakia. “Thus the conditions for change to the Constitution and legislation building a parliamentary and multiple-party democratic rule of law, as well as the background for the transformation of the governed socialist economics into liberal, democratic capitalism economics had been set.” (Pavelka, 2014: 87.)

The political system based on the Marxist-Leninist ideology and commanded by the Communist Party of Czechoslovakia collapsed and the newly developing and established political parties become its players. The main agent of the political, economic and social changes was the Civic Democratic Party. Meanwhile, the Czechoslovak Socialist Republic has ceased to exist and the new succession of the Czech and Slovak Federal Republics has been established (on 28th March 1990). Also, the Czech and Slovak Federal Republic ceased to exist and was divided into two new state entities: the Czech Republic and the Slovak Republic (established on 1st January 1993).

3. Opportunities and strengths on the Czech education market after the Velvet Revolution

The current Czech education market has been significantly influenced by these dramatic political and legislative changes that occurred after the Velvet Revolution. The private entrepreneurship, opening borders and travelling freely abroad, the entry of financial capital from western countries to the Czech Republic and the integration of the Czech Republic into the EU in 2004 became further bearers of these changes. The important initiating factors were also the technology-based innovation in the production, distribution and marketing practices of the various sectors of communication.

There are positive external factors, opportunities (O), on the Czech education market after the Velvet Revolution in 1989. New legislative changes have allowed the establishment of private schools (O-1). Innovation was mostly based on American education system. According to the Ministry of Education, Youth and Sports (http://www.msmt.cz), there were 18 public universities and two state universities (police and military) in the Czech Socialist Republic before 1999. First 4 new public universities have been established in 1991, 1 university in 1992 and 1 in 2001. First 2 private universities or higher education institutions have been established in 1998 and 4 in 1999. Other 34 private universities or higher education institutions were established between 2000 and 2005, since 2006 other 13 universities. According to the Ministry of Education, Youth and Sports, The Czech Republic has 26 public and 37 private universities and 149 faculties in 2017.

University education system is beginning to be open to all students, regardless of their parents’ political affiliation (O-2). The prerequisite for admission to higher education is the knowledge and skills of those interested in studying. The Czech education market is opening up to the international education market (O-3). Czech students can study at foreign universities and foreign students at Czech universities. Possibilities for cooperation with foreign universities are gradually opening up.

The structure of the Czech higher educational system has been changed. The three-level educational structure has been introduced (O-4). Two-level educational programme, five-year basic and three-year doctoral, has been transformed into three-year bachelor’s, two-year master’s and three or four year doctoral. This system is more responsive both to the demands of secondary school graduates and labour markets. Changes in the economic status of universities have caused a major transformation of the education system. They have brought negative and positive consequences (factors). The higher education institutions were authorized to act as independent economic entities (O-5). This also began to be applied to public universities, as their costs were no longer fully covered by the state budget. The possibility and necessity to obtain new financial resources from grants and scientific research to cover the costs of higher education institutions. In this context, the demands were emerging for changing the profiles of the graduates (O-6) and for new higher education professions (O-7) from the private and public sectors.

Since the early 1990s, new digital technologies, systems, channels, and networks have begun to be used on Czech campuses. These technologies enabled the emergence of university information systems, the development of educational activities and the expansion of new forms of communication between universities and the public (O-8). Finally, there is (O-9) great interest of secondary school graduates in attractive study fields.

There are positive internal factors, strengths (S) of universities, after the Velvet Revolution. Not only new public and private universities are established, but also within the existing universities, new faculties and, in particular, new study fields and programme are accredited and implemented (S-1). The number of university graduates has increased dramatically (S-2). According to the Czech Statistical Office, there were 647 500 inhabitants who received university education in 1993, 954 600 in 2006 and 1,708 200 in 2017. However, the population of the Czech Republic remains unchanged. In 1993 the Czech Republic has 10 334 000 inhabitants and in 2018 10 649 800 inhabitants. Relatively low study costs (cost advantage) (S-3) as well as the location in the centre of Europe (S-4) appear to be strengths of Czech universities. This is beneficial mainly for students from Eastern Europe and Asia who are interested in studying abroad (Study in Europe quick facts, 2017).
4. Threats and weaknesses on the Czech education market after the Velvet Revolution

There are many negative external factors, threats (T) of Czech education market, after the Velvet Revolution. The expansion of higher education has not been supported by the demographic development of the Czech population. The population size in the Czech Republic remains unchanged but there is a long-term decline in the number of newly-born children, which resulted in a decrease in the number of secondary school graduates and thus also in the total number of adolescent students enrolling at universities. Lowest total fertility rate 1.16 was in 2000 (Rabušic, 2001). The drop in applicants for study at Czech universities (T-1) threatens the existence of some schools and the quality of their teaching (Centre for World University Rankings, 2019).

There is (T-2) lack of students in the education market. The drop in applicants for study at Czech universities is further reduced by the gradually increasing number of graduates, especially from prestigious secondary school graduates, who have decided to study at universities abroad. On the other hand, branches of foreign higher education institutions offering English language education have begun to operate in Czech Republic and reduce the number of students who could study at Czech universities. The extreme increase in the number of universities and unfavourable demographic development in the Czech Republic create a strong competitive environment for universities (T-3). Not only for new educational institutions it is difficult to obtain high-quality teachers and students and to establish themselves in science and research. These are areas that bring funding to universities. It is also very difficult to obtain funding for research activities (Růžička, & Majer, 2019).

Due to a lack of students and therefore a lack of funding for school operations, the existence of some study programme, faculties and universities is at risk (T-4). In the situation, the lack of students and the strong competitive environment cause universities decrease study requirements and recruit students who are not eligible for a university degree. As a result, the quality of university education (T-5) and applicants for university study, university students and graduates is falling (T-6). Important and legitimate tools for struggling students and of university recruitment management are public communication (PR) and targeted building of the university brand. However, universities have insufficient experiences with those activities (T-7) Kocourek et al., 2016; Pavelka, 2018.

There is a strong disproportion between supply of university graduates focused on individual professions and the demand for these professions on the labour market, i.e. between the small/high amount of university graduates in individual study programme and the high/low demand for them by the labour market (T-8). Among other things, this is due to little/high interest of secondary school graduates in individual study fields. This situation causes graduates from some study programme have little chance to find jobs in their study fields and on the contrary graduates from another study programme are missing on the labour market. The lack of university graduates in some fields even threatens the functioning of some important social sectors (Key Indicators of the Labour Market, 2016).

There are negative internal factors, weaknesses (W) of universities, after the Velvet Revolution. The fundamental problem in the processes of building new universities, faculties and study programme in the course of the 1990s was the lack of highly qualified university teachers and lecturers (W-1). Only a small number of the teachers disposed of long-term experience from universities abroad and especially from Western ones. Also their practical language skills were often not at a high level. These development factors had an impact on the quality of the university education and on the applicability of the university graduates in practice. Due to very low salaries, experienced teachers from abroad were not available to the Czech universities.

Universities are not sufficiently spatially, technically and administratively equipped in the 1990s (W-2). There is a lack of classrooms, teaching technology and the facilities are outdated and the administrative background is insufficient. Universities are not ready for the surge in students in the 1990s. The costs of higher education institutions, including public universities, are no longer fully covered by the state budget. Universities do not have sufficient sources of funding (W-3). The students still remain the main source of university funding.

Some new accredited and implemented study programme have no support in the domestic academic tradition or their tradition was disrupted for a long time after 1948 (W-4) (Registr vysokých škol a uskutečňovaných studijních programů, 2018). Another negative internal factor is the declining reputation of public and private universities. This is due to the affairs of some universities (W-5). Through the media, the public is informed, among other things, of the low educational requirements placed on students and the violation of law in the awarding of university degrees (Kauzy plzeňských práv, 2019).

5. Conclusion

The Czech education market in 1989-2018 was influenced by a number of positive and negative factors, both from the external and internal social and societal environment of universities as major market players. Those factors as trends and tendencies entered the education market over a period of time, but they also changed in appearance, strengthened or weakened, and also ceased to operate in the market at some time.
The aim of the article was not to evaluate the development of the Czech education system after 1989. This article also cannot evaluate the reform of the Czech higher education, which has been a publicly discussed issue since 2007 and was approved in 2016 (Act No. 137/2016 Coll.). To achieve this, more research and text space would be needed. Much more unpretentious aim of the article was to identify the main development trends and tendencies emerging within the higher-education system and to reveal some relationships between trends, as well as the implications and impact on changes of the education system.

Thematic analysis of university and state institution documents and SWOT analysis based on researches of education and labour market have identified positive and negative internal factors and positive and negative external factors on the current Czech market with university education. The SWOT analysis of Czech market with university education (see Tab. 1) shows there are opportunities (9 types) and threats (8 types) on the Czech education market and strengths (4 types) and weaknesses (5 types) of universities.

### Table 1. The SWOT analysis of Czech market with university education

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<thead>
<tr>
<th>Internal Factors</th>
<th>Positive Factors</th>
<th>Negative Factors</th>
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<tbody>
<tr>
<td>Opportunities</td>
<td>(1) Possibility to establish private schools.</td>
<td>(1) Lack of highly qualified domestic university teachers and lecturers.</td>
</tr>
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<td></td>
<td>(2) University education system is beginning to be open to all students.</td>
<td>(2) Insufficient spatial, technical and administrative facilities of universities.</td>
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<td>(3) The Czech education market is opening up to the international market.</td>
<td>(3) Universities do not have sufficient sources of funding.</td>
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<td>(4) The structure of higher education system has been transformed into three-level educational programme.</td>
<td>(4) Some new study fields and programme are not supported by Czech academic traditions.</td>
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<td></td>
<td>(5) The higher education institutions were authorized to act as economic entities.</td>
<td>(5) Declining reputation of public and private universities.</td>
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<td></td>
<td>(6) Demands for changing the profiles of the graduates from the private and public sectors.</td>
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<td></td>
<td>(7) Demands for new higher education professions from the private and public sectors.</td>
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<td></td>
<td>(8) Possibility to use new digital information technologies, systems, channels and networks.</td>
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<td></td>
<td>(9) The great interest of secondary school graduates in attractive study fields.</td>
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<tr>
<th>External Factors</th>
<th>Opportunities</th>
<th>Threats</th>
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<tr>
<td>(1) New faculties and new study fields and programs were accredited and implemented.</td>
<td>(1) Possibility to establish private schools.</td>
<td>(1) The drop in applicants for study at Czech universities.</td>
</tr>
<tr>
<td>(2) The number of university students and graduates has increased.</td>
<td>(2) University education system is beginning to be open to all students.</td>
<td>(2) Lack of students in the education market.</td>
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<td>(3) Low study costs (cost advantage) in the Czech universities.</td>
<td>(3) The Czech education market is opening up to the international market.</td>
<td>(3) A strong competitive environment for universities.</td>
</tr>
<tr>
<td>(4) The location of Czech universities in the central Europe.</td>
<td>(4) The structure of higher education system has been transformed into three-level educational programme.</td>
<td>(4) The existence of some study programme, faculties and universities is at risk.</td>
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<td>(5) The higher education institutions were authorized to act as economic entities.</td>
<td>(5) The Czech education market is opening up to the international market.</td>
<td>(5) The quality of university education is falling.</td>
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<td>(6) Demands for changing the profiles of the graduates from the private and public sectors.</td>
<td>(6) The quality of applicants for university study and university students and graduates is falling.</td>
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<td>(7) Demands for new higher education professions from the private and public sectors.</td>
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<td>(8) Possibility to use new digital information technologies, systems, channels and networks.</td>
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<td>(9) The great interest of secondary school graduates in attractive study fields.</td>
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After the demise of the communist regime, the education market has substantially expanded (S-1, S-2, O-1, O-2, O-3) and changed (O-4, O-5, O-6, O-7, O-8) at all levels. Even adolescents applying for universities are changing their value orientation as evidenced by their choice of fields of study (O-9) (Holland, 1997; Blustein, & Ellis, 2000; Sramová, & Pavelka, 2017, 2019). Among the fundamental trends affecting the Czech education system belongs establishing of new private schools (O-1) and expanding the offer of study fields and programs (S-1). Opening university education system to all students (O-2) and increasing the number of university students and graduates (S-2) represent other fundamental trends characterizing the development of the Czech higher-education system.

The biggest threats to the education market are the drop in applicants for study at Czech universities (T-1) and lack of students in the education market (T-2). Lack of domestic university teachers and lecturers with long-term experience from Western universities (W-1) is the strongest weakness of Czech universities (Mazouch, & Fischer, 2011). There are other threats on the education market. Universities have insufficient experiences with PR and targeted building of the university brand names (T-7). There is a strong disproportion between supply of university study programme focused on individual professions and the demand for these professions on the labour market (T-8).

Building-up universities as economic institutions (O-5) is a trend that has both positive and negative consequences on the education system. Economization can lead to strengthening autonomy of universities and to a higher degree of university independence from the state and the Ministry of Education if universities can obtain private and foreign financial resources. On the other side, economization can create a strong competitive environment (T3) that may even threaten existence of some study programme, faculties and universities (T-4). If universities do not have sufficient sources of funding, it can lead to a reduction in the quality of teaching, students and graduates (T-5, T-6), to the lack of spatial, technical and administrative facilities (W-2).

Not all opportunities were implemented and not all threats were eliminated by individual universities and not all strengths have been maintained and not all weaknesses were suppressed and
overcome by individual universities during the 1990s, when the foundations of a new Czech university market were considered. The Czech system of university education has been catching up the pace with the Western education (Prudký, Pabian, & Šima, 2010). If we stem from the theory of M. Trow (Trow, 1974), the situation in the Czech Republic can be described as a transition from the mass to the universal education system. Annual reports and evaluations of the Czech universities prove that the quality of the Czech education system has been increasing. However, the question is whether the trends advancing on the Czech and Western markets with education will lead to a higher level of education, or whether they – as K. Liessmann predicts – will lead to the emergence of a society of miseducation (Liessmann, 2006).

References


