

# MODELS OF BUSINESS EDUCATION IN RUSSIA AND THEIR MAIN COMPETITIVE ADVANTAGES

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## ABSTRACT

*Innovation and business education today are key conditions for the effectiveness of business activities of any scale. For the full development and successful competition of commercial companies, the skills of employees need to be constantly updated with new knowledge about modern business strategies and tactics. The article deals with the development of business education and entrepreneurship education in the system of continuous education, the relationship of business education with vocational education and science, business education and entrepreneurship education in Russia. The purpose of the article is to study the basic models of business education in Russia. The scientific significance consists in the analysis of the main competitive advantages of the presented models of business education. In addition, the article analyzes competition in the field of business education in Russia.*

**Keywords:** Continuous Education, Concept of Continuous Education, Business Education, Consumers of Business Education, Forms of Business Education, Entrepreneurship.

## INTRODUCTION

Business education, depending on the goals of individuals and organizations, can take the following forms:

1. Hobby (playing on the stock exchange).
2. Professional development in any kind of professional activity related to business or management.
3. The acquisition of another additional profession in the field of management.
4. The intention to change the previous profession and completely move to a new type of activity related to business.

It follows that the education system in the field of business and entrepreneurship should provide an opportunity for all who wish to receive education of various kinds and training of various degrees of depth and the most diverse content.

If you compare business education with other types of continuing education and training, then in business education, the acquisition of skills is more important, since this type of education is expected to develop qualities that allow you to solve pragmatic tasks that arise in entrepreneurship and in a career manager. Business education is characterized by a wide variety of professions that relate to business, as well as qualification categories. There are also various requirements for social skills that are in demand in the field of business and management, such as: the art of communication, teamwork, decision making, the ability to socialize, taking risks, managing change, etc.

## METHODOLOGY

The theoretical and methodological basis of the study consists of domestic and foreign articles in business education, including monographs, articles and analytical reviews.

The study is based on general methods, such as methods of control theory, expert analysis, statistical analysis and comparative analysis, a systematic approach, methods of structural and functional analysis, synthesis, expert assessments, methods of visualization of tabular data.

In modern business education there are two main models - German and American. Each of them has its own characteristics. Despite the fact that Americans claim to be superior in education in the field of economics and commercial activity, it originated in Europe. Therefore, the traditional German model is also called the Continental European. Within the framework of this model, higher professional education, including economics, can be obtained at relevant universities or institutes, while at the same time, training in business and management takes place in the system of additional (postgraduate) education. On the basis of the traditional and new models of business education, a so-called “*mixed model*” has emerged, which combines the Americanized and Europeanized sectors of business education. Education takes place in educational institutions of various types (universities, business schools, advanced training institutes, etc.), in various forms. A mixed model is most common in business education in many European countries.

The study analyzed 4 models of business education in Russia. Each model was considered in terms of criteria: purpose, task, documents, contingent, and the form of education, content, financing. The analysis revealed the advantages and disadvantages of each business education model.

## LITERATURE REVIEW

Business education as a subsystem of the education system originated about 100 years ago in the USA and was formed later in Europe (Gorman et al., 1997; Laukkanen, 2000; Gibb,

2002; Sogunro, 2004; Heinonen & Poikkijoki, 2006; Rasmussen & Sørheim, 2006). Russian business education has been counting its history since the beginning of the 90s of the 20th century and still remains an element introduced from outside, which has not yet become, in our opinion, an organic part of the education system. There is not always a smooth process of embedding business education in the overall structure, which itself is going through a stage of substantial restructuring (Akhmetshin et al., 2018).

Nevertheless, we can note that in the Russian Federation at present, certain theoretical and methodological approaches to the services of business education are also known. In particular, business education as an essential element of the modern educational complex, as well as approaches to the problem of developing its various aspects in modern conditions are considered in the different scientific works. Business education for executives stemming from a comparative analysis of domestic and foreign experience in the organization and management of business education (Costa & Strano, 2016).

Business education is an educational activity for training managers in enterprises and business organizations that operate under market conditions and have as their main goal the efficiency of an enterprise's economy, estimated by the amount of profit (Corbett, 2007). The general goals of business education, its principled content and the requirements for it from companies and individuals show that this is a very specific field of education (Katz, 2003; Kuratko, 2005; Nabi et al., 2016), in the nature of which lies the internal conflict between the educational function itself and the function of preparing for work, i.e., to the practical implementation of certain types of activities (active development of practical methods, techniques and procedures).

## RESULTS & DISCUSSION

In different countries they solve business education and entrepreneurship education in different ways (Akhmetshin et al., 2018). For example, in Sweden they solve the problem of integrating the system of teaching entrepreneurship in the system of general and vocational education. Interesting in this direction is the experience of Sweden, where the State Strategy for the Development of Entrepreneurship in Education, developed by the National Agency for Education in Sweden, operates. It is this group that determines the integration of this sociocultural phenomenon at different levels of education. Education in this country aims to create a positive motivation for entrepreneurship (Centobelli et al., 2016). In the US, in general education in high school, students are encouraged to include in their individual plan subjects related to business education and entrepreneurship. For example, "*Mathematics for making business decisions*" (Elmuti et al., 2012). And in Indonesia, entrepreneurship skills, students can get in almost all subjects. Each item includes certain elements of entrepreneurship. In Russia, until recently, such subjects as economics, technology, as well as various electives and elective courses played an active role in teaching entrepreneurship in the general education system. Comprehensive school is one of the stages in the system of continuous education (Kusumandari, 2015, Rimayanti, 2013).

At present, the educational space of business education and entrepreneurship education, including in Russia, as well as specific forms of implementation of educational programs are in the period of creation. This is connected with the new emerging economy and the transformation of the society itself from the post-industrial to the information one, in which the main priority is the development of the person himself and investment in human capital (Caggiano, 2015). This type of society has completely new education requirements (Stake, 2004; Tayibnasis, 2000). They are associated with the dramatically increasing dynamism of the technological base and the decline in long-term forecasting and planning opportunities.

There are 4 models of business education that are typical for Russia and have significant differences from each other:

1. Model 1: Higher Education.
2. Model 2: Professional retraining (PI).
3. Model 3: Advanced Training (PC).
4. Model 4: Master of Business Administration (MBA).

The parameters of each of the models are compared in Table 1.

<b>Options</b>	<b>Model 1</b>	<b>Model 2</b>	<b>Model 3</b>	<b>Model 4</b>
<b>Purpose</b>	Personal development	Introduction to the manager's profession	Formation of more qualified managers	Preparation of a professional manager
<b>Task</b>	Decent place in the labor market in the field of business and management	The right to engage in a new type of professional activity	1. Thematic training in the framework of a workplace seminar 2. In-depth study of actual problems in the PC institution 3. Short-term study of questions	Accelerating career growth, promoting success in entrepreneurship. early career manager for professionals
<b>Documents</b>	Diploma of Specialist (5 years), Master of Management Diploma (6 years)	Diploma of professional re-training (without qualification)	1. State certificate of PC 2. State certificate of PC 3. Certificate of participation in the program	Diploma of additional education with the qualification of the MBA
<b>Contingent</b>	Persons with secondary education or with a bachelor's degree	Persons with vocational education and experience	Managers and specialists	Persons with a diploma of higher education and, as a rule, experience from 2 years
<b>The form of education</b>	The first higher education (internally, in absentia, distant): the second higher education: magistracy	With and without separation from work	Full-time, part-time (evening, modular)	Full-time with job leave (1.5 years), full-time without leave (evening, modular - 2 years)

<b>Content</b>	By state standards	By agreement with the client	At the discretion of the educational institution or client	State requirements
<b>Financing</b>	The first higher education is free, in part - for a fee; the second higher, magistracy fee	Pay (except government programs)	Pay, sponsored	Pay

Model 1 corresponds to the Western concepts of Undergraduate (Basic) Education for undergraduate programs (4 years) and Graduate Education for graduate programs with a specialization: Master of Science, Master of Arts. Graduates of this model often achieve excellence in their field. However, their education, focused mainly on the acquisition of knowledge, does not always encourage them to find work with real responsibility for managing the company.

Model 2 is capable of attracting a specialist to practical work, but in terms of content, it can only teach the basics of the necessary managerial skills, but does not pretend to a high level of professionalism and training within it is not long-lasting. Therefore, no qualification is awarded. However, abroad this type of business education is sufficiently strong — the Executive Development programs, like 3-month program of intensive training in management at Harvard Business School.

Model 3 is represented by numerous short-term programs and workshops, which gives real managers the opportunity to constantly improve their knowledge, thus keeping up with the times. Training on this model corresponds to foreign programs "*Executive Development*". "*Management Development*", "*Management Training*" and is represented in the countries as with a new, American system of business education, varnish and with the traditional, German.

Model 1 is just that area of business education that maximally brings it closer to a successful American model: it is aimed at training a professional manager-the foundation of the philosophy of the entire US business education system.

Business education in itself represents a specific area of business, and the same principles of success are applicable to this area as to other industries. Therefore, an educational institution that decides on the implementation of programs in a particular model must necessarily take into account factors that can provide a competitive advantage to Model 1 (Higher Education) provides competitive advantages when the following conditions exist:

1. Large population, a significant contingent of young people with a need for higher education (demographic factor).
2. Highly developed scientific and methodological potential.
3. Sufficient mass of staff of highly qualified faculty.
4. Favorable image of an educational institution.
5. Developed material and technical base.
6. State accreditation, issuance of state diplomas (as a necessary confirmation of quality).

Model 2 (Professional retraining) has significant prospects, if there are:

1. Strong business connections or a concentration of a significant number of professional workers who need retraining.
2. Participation in national and international human resources development programs.
3. Highly qualified teachers with work experience.
4. The potential for developing new programs and adapting them to customer needs.
5. Developed material and technical base.
6. Effective curriculum management and marketing.
7. State accreditation (as an additional competitive advantage).

This model is much more than the model—Higher education—is associated with the requirements of individual sectors of activity, therefore, contact with specific companies that are planning to train personnel in retraining programs is of key importance. Consequently, the dependence of training on this model from real business dictates the need not only for professors, but for qualified teachers with work experience in the areas of retraining.

Model 3 (Advanced Training) will be implemented successfully in the presence of:

1. Unique information, materials and teaching methods.
2. Highly qualified specialists in certain fields, acting as teachers and trainers.
3. A proven methodology for conducting classes using interactive teaching methods and information technologies.
4. Stable relations with clients: active marketing of programs: license for additional education.

Groups of clients in this model of business education are quite diverse: they can be representatives of one company or vice versa, individual specialists, therefore, active marketing plays a crucial role in ensuring competitive advantages in the implementation of this program. Able to organize an effective search for customers and delivering information about programs to potential consumers.

Finally, the 4th (MBA) model will bear fruit if the following conditions exist:

1. The presence of a developed market of expensive programs, the demand for them.
2. Management's understanding of the specifics of MBA programs.
3. The presence of a sufficient number of teachers of business and management with a high academic level and work experience.
4. Willingness to make wide use of interactive teaching methods.
5. Developed scientific and methodological potential.
6. Active participation of teachers in counselling and research.
7. A high degree of independence of the unit implementing MBA programs or the creation of a separate business graduate school.
8. Effective marketing; participation in the international educational community.
9. Communication with the federal education authority, license for additional (higher) education.

Successful implementation of MBA programs is impossible without understanding the specifics of this type of business education, its main consumers.

## CONCLUSION

The law of personal interest encourages entrepreneurs to develop their business with the aim of further increasing profits. The realization of this goal is connected with the involvement of additional competent and qualified workers in the business, with the expansion of production and trade, with the implementation of new orders to other entrepreneurs. Thus, business development is directly connected with the expansion of business education models. And this circumstance, in turn, determines the solution of several important social and economic tasks at once:

1. Along with the expansion of employment, the production of goods and services for internal and external consumption increases.
2. Enterprises involved in business and hired workers pay taxes to the state budget, allowing the government to solve many socially significant problems.
3. Social insurance agencies require fewer financial resources to pay unemployment benefits.
4. Business creates innovation of all types for greater profit. And created innovative products ensure the progressive development of society, enrich the inner life of people, culture, life, communication.

The development of business in a particular country or region triggers a whole range of economic mechanisms that are called multipliers - employment, investment, income. Revitalization of business education, thus, leads to a number of positive effects. Therefore, many countries are currently seeking to develop new business education models.

It is obvious that in order to achieve really high quality MBA programs, to bring them closer to world standards, it is necessary to constantly attract expensive resources, the most important of which are teachers, as well as training materials designed by modern methods. It naturally increases the cost of training programs MBA diploma. Therefore, it is pointless to open programs in those regions where the population simply has no opportunity to make such investments.

In our opinion, the 4<sup>th</sup> model of business education has more advantages than others. Benefits of advanced training for employees:

1. Guaranteed employment. Employees with multiple skills are more in demand because they can adapt to the changing nature of work. -The development of universal skills increases the value of an employee who can perform different jobs in a given organization.
2. Working potential. Personnel involved in developing their skills and wanting to improve them may assume additional responsibilities. Such employees have more opportunities for promotion.
3. Easing stress. Adequate training that meets work requirements reduces stress and increases the ability to adapt to change and work in difficult conditions.
4. Motivation and job satisfaction. Increasing their skills, employees feel the care of management, which contributes to increased motivation and job satisfaction.

This model represents the most serious shift in business education in Russia. It's given form as much as possible forces business schools to act according to the rules of the market, seriously think over ways to compete and given the constant outflow of students to study abroad strive for real improvement in the quality of MBA programs. The development of business education models is inextricably linked with competition in the education market.

It is worth noting that determines the characteristics of the market for business education, such as, for example, its capacity is quite difficult. The problem is due to the absence or dispersion of statistical information. Therefore, when characterizing the parameters of this market, it is often necessary to rely on the research of individual marketing agencies and organizations dealing with the problems of business education.

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