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KNOWLEDGE OF AGRIBUSINESS AS A TOOL OF RAISING ALUMNI LIQUIDITY ON THE LABOUR AGRARIAN MARKET

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Marketing tooling is also applied to labor market and education market. Marketing research is regarded as systematic retrieval, collection, analysis and interpretation of information necessary to apply marketing tools formed by the market. Omsk State Agrarian University (OSAU) since its foundation has systematically conducted surveys of different groups of people (directly or indirectly related to the University) about main constraints and disadvantages of curricula offered by OSAU, among those groups of people are the teaching staff, undergraduate students, post-graduate students, University administration (the rector, vice-rectors, deans), recent OSAU alumni, people employed in agriculture (middle managers), directors of agricultural enterprises – OSAU alumni, employees of the Ministry of Agriculture of Omsk region. Five – seven years ago most of respondents mentioned the following:

- superficial knowledge about human resource management and process of decision making;
- lack of financial knowledge and expertise;
- insufficient information about modern agricultural programs (e.g. storage and processing of agricultural products);
- inability to work with informational technologies (information retrieval and processing)

Omsk State Agrarian University realized that higher agrarian education, offered at OSAU only partially met the requirements of transition agriculture. The process of adaptation of its educational system is quite a long process, although we have approached the final stage.

Establishing of the Employment Office at OSAU and registration of «Association of OSAU – OSAI¹ – OSVI² alumni» were among innovations made to raise the demand for OSAU alumni.

Transitional economies are connected with a change in pattern of demand on the labor market. Now narrow specialists such as a stock exchange analyst, a real estate assessor, a land assessor, an auditor, an accountant with the knowledge of international accounting are in great demand, and on the contrary workers of wide specialties such as a driver-crane-operator, a gas-arc welder, a plasterer-painter and some others. Many educational institutions still train specialists that do not have demand in the local labor market. In agrarian academies the share of students from the countryside is small, and city-dwellers having acquired a profession in agriculture only in rare cases are ready to move to the countryside. Earlier, e. g. about 70–80 OSAU alumni addressed the Employment Service of Omsk region (not all veterinaries, processing engineers, agronomists, mechanical engineers, land surveyors, water-resource engineers are in demand on the labor market) 70 people of those were considered to be unemployed, 25% of them found jobs and less than half of that 25% according to their specialty. Nowadays there is a positive tendency in the demand on OSAU alumni (table 1).

There were two possible alternatives; firstly, to train city-dwellers in specialties that are in demand in the city, e. g. the specialty 311100 “Urban cadastre”; secondly, purposeful maintenance of the share of country-people among OSAU students through target enrolment. An agrarian university is a highly specialized higher educational institution and has to direct its attention to the training of specialists to meet the needs of the rural area (agro industrial complex). The results of the second approach are shown through dynamics of target enrolment of part time students in 2000–2002 (fig. 1). In the whole, 860 students of

¹ Omsk State Agricultural Institute

² Omsk State Veterinary Institute

Table 1.
Demand on OSAU alumni, in %

Year	Share of OSAU alumni that received jobs according previous contracts	Share of OSAU alumni that received job offers from employers	OSAU Alumni registered at the Employment Service	Alumni working in Omsk region
1999	30.1	15.3	7.1	94.7
2000	30.2	15.7	8.3	94.9
2001	38.7	15.2	11.4	95
2002	39.3	18.4	11.4	95
2003	50.4	21.1	1.8	95.1

of 1235 first-students subsidized by the government were students of target enrolment in 2003.

Professional qualification structure of labor force has three aspects:

- profession;
- qualification;
- content and level of proficiency.

Education activity is the main activity of the University. There are 25 specialties and 27 specializations. Forms of training are full-time, part-time. A number of studying students at OSAU are 10 357 people (full-time – 7 375, part-time – 2982), including 1 997 students who pay for their education. There are 56,6% of students who live in the countryside (table 2). The majority students of the countryside study in the following specialties: agronomy, agricultural engineering and forestry, branch in Tara. Less than the third of the students from the countryside study in city cadastre, region studies, standardization and certification, merchandise knowledge and commodity examination.

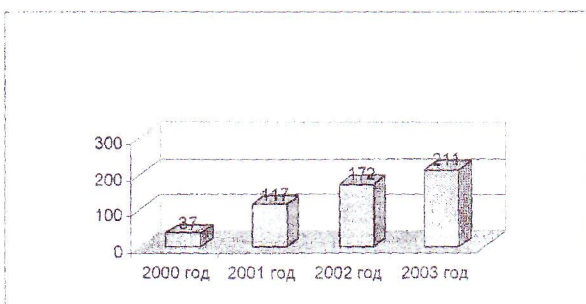


Fig. 1. Dynamics of target enrolment of part time students in 2000–2002

Reproduction of labor force covers the process of production, allocation, consumption, withdrawal. Traditionally in marketing the concept of life cycle is referred to commodities and services. The reproduction of labor force also covers the process of production, allocation, consumption, withdrawal.

As for the specific commodity “labor force” we can speak about three models of life cycle:

1. Life cycle of aggregate labor force in the sphere of use.
2. Life cycle of a specialist (profession).
3. Life cycle of a specialist’s career.

Planning of specialists’ careers proceeds, firstly, from firms’ needs to fill up vacancies, and secondly, from personnel’s needs in promotion. The progress at work can not only be through promotion, but also through giving an employee some other work (when he or she changes the sphere of his or her activities) or appointing an employee to another position without changing his or her functions. The concept of the life cycle of the labor force is of interest, firstly, because the life of the commodity “labor force”; secondly, because new professions require substantial expenses to learn them, that is the investments in human capital increase; thirdly, thanks to this concept it is possible to foresee changes in employers’ needs, competition in the market, and fourthly, it is the basis of the planning of the commodity “labor force” and its effective consumption.

Economics dictionaries define liquidity as ease with which different assets can be transferred into cash; cash and its direct equivalents have 100 percent liquidity. Using this terminological approach we suggest the concept of liquidity of a specialist as ease with which he or she can find a job. If labor force is a commodity, then we can speak about its liquidity, and answer the following question, f. ex. “What profession is liquid on the computer market: a specialist in computer telephoning, a system administrator, a Web-designer, a product manager ...” or on the agrarian labor market: an agronomist, a veterinary, zooengineer, an agrarian economist...? Two sides of liquidity are distinguished: firstly, ease with which a person can find a job, secondly, ease with which a specialist can leave his or her employer. Naturally, the higher is specialist’s liquidity, the more

urgent is the question of his or her holding in place. Consider the factors that determine liquidity of specialists and managers:

1. Size of direct income brought to the firm, that is why an anticrisis manager has higher liquidity than a rate-setter economist.

2. Profile – coincidence of an employee's profile and an employer's profile. A specialist in a commodity or in a service is in a great demand for a firm that specializes on that good or service.

3. Rank of a specialist or a manager. With some constraints we can say that liquidity is inversely proportional to a rank. An ordinary employee is

better sold than a top manager, because there are not so many vacancies for managers as for ordinary employers.

How can we define the rate of our own liquidity? A very simple way is to send your resume to an employment services without any claims to any particular job and desired salary. Job offers received during a definite period are one of liquidity ratios. To raise one's own liquidity is quite a serious problem. Most of employers think only about their current price, that is they are interested in the question "How much will I be paid here and now, and is it a fair price?" Only a few think about raising

Table 2.
Ratio of OSAU full time students from cities and countryside on 01.01.04 г.

Subdivision	Number of all students	Number of students from the countryside	Share of students from the countryside, %	Number of students							
				subsidized by the government				who pay for their education			
				Total number	Number of students from cities	Number of students from the countryside	Share of students from the countryside, %	Total	Number of students from cities	Number of students from the countryside	Share of students from the countryside, %
Total	7375	4174	56.6	6167	2696	3471	56.3	1208	505	703	58.2
Institute of Economics and Finance	1086	659	60.7	724	276	448	61.9	362	151	211	58.3
Institute of Veterinary medicine	2307	1072	46.5	2095	1116	979	46.7	212	119	93	43.9
Tara Branch	479	476	99.4	329	2	327	99.4	150	1	149	99.3

of the value of their labor, and people think about their liquidity very rare. The reason is that the growth of liquidity does not necessarily mean the growth of salary. Besides, salary of government institution employees depends not on the employer, but on the salary corresponding to the category of tariff scale. E.g. liquidity of a Dr. of Economics

(Law) is much higher than liquidity of a Dr. of Veterinary Medicine, but they receive the equal salary if they occupy equal positions. The way to raise your liquidity raising your value at the same time is to receive a secondary higher education (e. g. an agronomist, a zooengineer, or a veterinary receives secondary higher education in agribusiness).

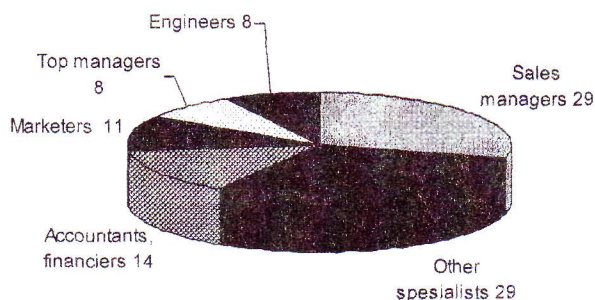


Fig. 2. Demand rating for professions in Russia (%)
Information source: Russian Newspaper, June 26, 2002.

OSAU realizes this possibility in the following way: best four-year students and five-year students can study at the same time at the Institute of Agribusiness and Continuing Education of OSAU, receiving secondary higher education in "Economics and Enterprise Management in Agro Industrial

Complex", "Accounting, Analysis and Audit". When they graduate from OSAU they receive two diplomas. All those alumni are taken in reserve of agricultural enterprise managers of Omsk region, and the Ministry of Agriculture of Omsk region follows their professional careers.

Experts of Russian association of personnel consultants inform that the following vacancies: sales managers, financiers, lawyers, service industries and retail trade personnel took the leading position on the labor market in 2002. There has been a demand on financial directors, specialists in logistics, brand managers and others.

The phases model of a specialist life cycle is recommended for the development of plans for training and graduation of specialists by educational institutions, especially for commercial groups or non-state institutions, as well as for the development of

Table 3.

A fragment of the curriculum in specialty 310100 "Agronomy" of the specialization 310205 "Agribusiness"; full-time education

(drawn up on the basis of the standard about higher professional education of the second generation)

Discipline code	Name of the discipline	Type of control		Total amount of academic hours		Lecture and practical hours			Self-study
		Exam	Intermediate exam	State standard	Educational plan	Lectures	Practicals	Total	
ГЭС, Ф11	Economics	1		140	140	20	38	76	64
ОПД.Ф-08, 01	Economics of agroindustrial complex	1			80	28	14	42	38
Ф-08,02	Organization of production and entrepreneurship in agroindustrial complex	1			130	28	36	64	66
Ф-08,03	Fundamentals of accounting and finance in agroindustrial complex	1			80	14	24	38	42
Ф-08,04	Management and marketing in agroindustrial complex	1			110	28	28	56	54
ОПД.Р-01	Financial management	1			50	14	14	28	22
ДС-01	Fundamentals of logistics	1			60	20	10	30	30
ДС-02	Taxation in agroindustrial complex	1			70	16	16	32	38
ДС-03	Agricultural markets	1			74	20	14	34	40
ДС-04	Extension	1			40	10	10	20	20
ДС-05	Anticrisis management in agroindustrial complex	1			80	20	0	40	40
ДС-06	Financial, personnel, investment management	1			100	26	26	52	48
ДС-07	Business, land, real estate assessment	1			76	18	28	44	32
ФТД-07	Sociological adaptation on the labour market	1			30	8	8	16	14

a marketing concept by private employment agencies. The increase in sales (ease of employment) and profitability (relatively large incomes) are not necessarily a sign of the long-term success on the labor market. A commodity can make a profit during 3-5 or more years, but strategically it can be a bad investment object. Let's take for example the fact that there was a high demand on accountants 5 years ago. Nowadays, the Russian labor market is glutted with these specialists; there is a recession in demand on accountants who do not have systematic higher education and finished only courses for accountants. There is the same situation with bank specialists who got education in banking schools. Let's examine a specialist life cycle. The job promotion is very important for a specialist. Career is an individual and realized sequence of changes in opinions, status and behavior connected with the operational experience during the working life. A specialist life cycle consists of phases which people experience during their labor activity: a pre-working period, a stage of original work, a phase of stable work and retirement. The life phases are taken into account during the management of a career development.

In order to succeed in conditions of market economy agricultural managers, specialists and farmers should have new skills in management, business and decision-making. This need has resulted OSAU training professionals that have excellent knowledge of agrotechnologies as well as a through understanding of current economic situation and skills for successful management of agricultural enterprises. Moreover, it is necessary to take into account common trends towards the demand for educational programs on the school-leavers' side. That is why, teaching strengthening of economic disciplines attaches

attractiveness to the traditional specialties which have real chances to be in demand in future; the University attracts more school-leavers. For example, the Faculty of Agricultural Engineering opened a specialization 230102, 311900 "Economics and Technical Service Management"; the Faculty of Agronomy – 31025 "Agribusiness"; the Faculty of Land Use Planning – "Management of Land Resources", 311000 "Land and ecological Laws", 311100 "Land and Real Estate Management". In OSAU, not only does the Institute of Economics and Finance train economists, but also do the specialty 021300 "Regional Studies" which is related to a line of education "Economics and Management"; the Institute of Veterinary Medicine in the specialty 351100 "Merchandise knowledge and Commodity Examination".

The joint European project Tempus CD-JEP № 21111-2000 which includes 4 partners of the consortium: Wageningen University (the Netherlands), Hohenheim University (Germany), Moscow Timiryazev Agricultural Academy promotes to modernization of agrarian education at Omsk State Agrarian University in accordance with the requirements of agriculture. The Agronomy Faculty serves as the base for the project. About 60% of directors of commercial agricultural enterprises and 90% of farmers are the alumni of the Agronomy Faculty. This fact served as the main reason for the opening of a new specialty "Agribusiness" at the faculty. The fragment of the curriculum of this specialty is given in the Table 3.

Thus, an intensive cycle of economic disciplines at non-economic faculties, on the one hand, is the reaction to the need of specialists on the labor market who have skills in business organization and, on the other hand, meets the school-leavers expectations; consequently, it determines financial non-budget cash flows.

