

INTERACTION OF EMPLOYMENT INSTITUTIONS AND DEVELOPMENT OF MODERN HIGHER EDUCATION SYSTEM IN RUSSIAN SOCIETY

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Abstract

Purpose of the study: The study is devoted to the analysis of the specifics of interaction between institutions of employment and development of higher education in modern Russian society. The current arrangement of socio-economic priorities in Russia contrasts with the true economic needs of the labor market and opportunities of the higher education system. In this regard, there is a need to create an integrated system of organizational and institutional mechanisms providing employment regulation and maintaining a balance of interests of the higher education system and the subjects of social and labor relations.

Methodology: The study is conducted on the basis of the principle of interdisciplinarity to research the specifics of interaction of the subjects of social and labor relations in the sphere of higher education. The problem is considered in the context of institutionalism and neo-institutionalism methodology, both in foreign and domestic research traditions. The higher education institution is treated in the context of institutional methodology.

Results: The work is based on the idea that the system of modern higher education is integrated into the subject space of social and labor relations. Thus, the state, the individual, the employer, and higher education institutions are both the concerned parties and the subjects of social and labor relations. But there is a certain disproportion in their interests. The sphere of higher education is characterized by some immanent features that distinguish it from other socio-economic systems that create public goods. The provision and consumption of educational services involve benefits, both for the individuals and for the entire nation. The mission of higher education and the interests of social and labor relations subjects are closely linked. The interest boundaries of the subjects of social and labor relations necessitate their qualitative characteristics in order to summarize the specifics of satisfaction of their interests.

Applications of this study: The results allow us to conduct a full and detailed study of social and labor relations phenomenon in close relationship with the system of higher education. Within the very framework of neo-institutional theory, it is possible to create a mechanism of management and control for development of employment, social and labor relations.

Novelty/Originality of this study: The research problem of the study is the development of the higher education system in the context of subjective social and labor relations in order to find the solution to the employment problem.

Keywords: *employment, social and labor relations, institution, higher education system, Russian society, disabled persons.*

INTRODUCTION

In recent years, the regulation of employment in Russia has been of a specific nature, not fully aimed at harmonizing the relationships between the labor market and the system of personnel potential formation in the educational sphere. As a result, the main directions of state education system regulation fail to have indirect regulatory impact on the sphere of labor and social and labor relations (Dyuzhikov, 2010; Vodenko, 2016; Tastan et al., 2018; Galushkin, 2018; Yorov et al., 2019). The desired result of development of Russian socio-economic sphere is socially-oriented and innovative economy. Thus, the described situation is unacceptable and needs correction.

The current arrangement of Russian socio-economic priorities contrasts with the true economic needs of the labor market and opportunities of the higher education system. The economic crisis contributes to a new round of growing interest in the problem of regulation of social and labor relations. In this regard, there is a need to create an integrated system of organizational and economic mechanisms to regulate employment and maintain a balance of interests of social and labor relations subjects.

The problem of employment in the market economy is multi-aspect. Employment is an important productive resource in society. Effective employment is a necessary factor in accelerating economic growth. To a large extent, employment is the basis for social stability and harmonious social development (Tastan & Davoudi, 2017). The state should pay special attention to the problems of employment. The policy in the field of labor market regulation, monitoring of the sphere of

labor and development forecasts should be aimed primarily at preventing adverse situations, easing labor market tension. The interests of able-bodied people and employers representing the state, municipal, public and private organizations collide in the market. The labor market relations have a pronounced socio-economic character. Through the labor market mechanism, they establish the levels of employment and wages. Employment is a necessary condition for reproduction of the population, as it affects living standards, the costs for selection, training, retraining, and advanced training of personnel, employment, and material support for those who have lost their jobs.

It is necessary to highlight the most relevant problems, such as the importance of employment growth in high-tech sectors of the economy. In the future, the growth of service sector employment will continue. Employment in the extractive industry and agriculture will reduce. Wages in progressive industries will rise. Unemployment may remain at about the current level, with some changes in its nature ([Chetverina, 2013](#)). It is also necessary to develop the sphere of employment for disabled persons.

If the employment policy is active (and those on the labor market become more active as well), we can expect improvement in the efficiency of retraining and employment systems for the unemployed ones, and reduce the average length of "unemployed" status. Unemployment will probably be of mostly structural, technological and frictional nature. It will increase in times of cyclical declines in output. In the longer term, we expect changes in the sectoral employment structure because of technological changes. Employment in the field of information technology will increase, as well as proportion of home-office jobs based on computer technology and related communications.

The effective level of employment is one of the most important tasks of the state's macroeconomic policy. Underutilization of labor resources does not allow the economic system to fully use its economic potential ([Pavlenkov, 2012](#)). The system of higher professional education may play a central role in development of employment institutions, as well as in social and labor relations.

METHODOLOGICAL FRAMEWORK

The current situation is relevant and requires a holistic, comprehensive study. In this article, based on the methodology of interdisciplinarity ([Lubsky, 2015](#)), we explore the specificity of interaction between subjects of social-labor relations in the space of higher education systems. We consider this problem in the context of methodology of institutionalism and neo-institutionalism ([North, 1997](#); [Fligstein, 2001](#)). Neo-institutionalism is widely spread in modern economic science. In Russia it is represented by the works of A.N. [Oleynik \(2005\)](#), V.V. [Radaev \(2001\)](#), A.E. [Shastitko \(2002\)](#).

The basic social institution is educational. It determines the level of scientific, technical, economic and cultural progress of society and development of the employment system ([Sheregi, 2001](#); [Vodenko, Komissarova and Kulikov, 2019](#)). The study of continuing professional education system development specifications requires the corresponding methodology. Education could be studied in the context of an institutional approach (Table 1).

Table 1: Institutional approach to the study of an educational institution

Issues for comparison	Institutional approach
The notion of education	Education is the interaction between social groups and societies, which is organized for achievement of the goals and execution of tasks of formation of personality and its professional socialization
Sphere of application	Effective during studying the system of education for the purpose of determining the connections between its elements. Institutional consideration of education envisages determining its connections with production, science, culture, and other social institutes and systems
Objects of research	Education is viewed as an element of the system of public relations, which interacts with other elements. The institutional approach envisages the analysis of activities interaction between social groups in the sphere of education.
The main aspects of research	Education is studied as a certain sustainable and dynamic public organization in the sphere of education, upbringing, and professional training

RESULTS

Under social and labor relations we understand the existing interconnections and relationships between individuals and their groups in the processes related to employment and aimed at regulating the quality of work life. Social and labor relations characterize both socio-economic and psychological aspects of these relationships, as well as the legal aspect, reflecting the actual social and labor relations at institutional, legislative, and norm-setting levels ([Sobolev, 2010](#); [Nekhoda, 2007](#); [Vodenko et al., 2016](#)).

The subjects: the employee, the employer, and the state are important components of social and labor relations system. But what is the place and role of education system among these actors? We proceed from the idea that the system of modern higher education is integrated into the subject space of social and labor relations.

Qualitative structural changes of human potential development in need for competitiveness growth of the Russian economy make modernization of the Russian economy the priority factor. The main role here is played by higher education. The level of its functioning and development designate the processes in the spheres of social and labor relations.

The modern specifics of subjects of social and labor relations are as follows: at the state understands the importance of human capital for the welfare of the country. The people are interested in obtaining professional qualifications and skills that will later become a popular object of purchase and sale in the labor market. In their turn, the employers need professional and qualified labor force. The main function of higher education institutions is training of highly qualified personnel. Thus, the state, the individual, the employer, and higher education institutions are both the concerned party and subjects of social and labor relations.

In current circumstances, there is a certain disproportion in the interests of subjects of social and labor relations. The sphere of higher education has some immanent features that distinguish it from other socio-economic systems that create public goods. The provision and consumption of educational services involve benefits, both for the individuals and for the nation. The mission of higher education is closely linked with the interests of subjects of social and labor relations. The boundaries of interests of these subjects necessitate the quality characteristic (see Table 2) summarizing the specifics of interest satisfaction.

Table 2: Specifics of interests' satisfaction for the subjects of social and labor relations

The subject of social and labor relations	Goals and interests of the subject of social and labor relations	Prospects for improving the efficiency of meeting the interests of subjects of social and labor relations
Personality	Obtaining a professional qualification	Development and implementation of effective mechanisms of professional orientation.
Employer	Meeting the professional and qualification needs for the labor force	Development of forms of participation of the employer in the development of social and labor relations and training; development of mechanisms for determining the professional and qualification needs of the employer and society as a whole.
State	Development of society through the accumulation, systematization, and translation of professional and qualification skills	Development of an adequate mechanism for regulating social and labor relations and mechanisms to improve the efficiency of the relationship between universities and the space of the application of labor resources.
Education system	Demand for University graduates in the field of employment	Improving the form of cooperation with employers; increasing the level of employment of graduates.

The analysis of interest satisfaction specificity relates to the subjects of social and labor relations, so we may conclude that:

1. Insufficient attention to the harmonization of the employer's interests and education system has an obvious negative impact on all the subjects of social and labor relations.
2. Universities are improving traditional forms of cooperation with employers, but there are no mechanisms that will allow determining the quantitative and qualitative aspects of professional qualification needs of employers and society.
3. The norms and rules that regulate relations of the subjects do not fully contribute to identification, systematization, and disclosure of employer's demand for highly qualified personnel.

The modern Russian educational standards have the basic principles of the Bologna process: the focus is on the results of learning expressed in the form of competencies. The labor costs, including credits are considered as well. The participation of professional associations of employers in standards development becomes an essential condition. If possible, they formulate competencies of graduates according to the new professional standards. The interaction of professional community and educational institutions is a priority direction of social and labor relations improvement.

All the parties of social partnership benefit from such cooperation: the employer gets a qualified specialist who, after graduation, is ready to perform job duties; the educational institution gets the opportunity to prepare graduates who will be in demand in the labor market. All that has an impact on reputation of the institution and public confidence in its educational services (Vodenko, 2016).

The above-mentioned principles of cooperation with the employers allow universities to develop new educational programs, taking into account the needs of the local (regional) labor market, educational and scientific traditions, innovations, individual methodological developments, etc. All these measures, in turn, led to an increase in professional training quality.

Summarizing all the above mentioned, we note that the interaction of social and labor relations has a complex structure. The subjects of this structure should constantly establish rational rules of communication. The system of higher education should be considered in the context of the subject space of social and labor relations to address the problem of employment.

DISCUSSION

The specifics of employment, social, and labor relations regulation are closely related to the development of the education system. We suppose that institutional methodology is quite appropriate to study the specifics of educational institutions. D. North (1997) considered institutions to be "the forms of restrictions created by people in order to form a certain structure of human relationships" (North, 1997), or "rules of the social game", which form the social incentive structure. D. North identifies three main institutional components:

- Informal restrictions (traditions, customs, social conventions);
- Formal rules (constitutions, laws, judicial precedents, administrative acts);
- Enforcement mechanisms that provide compliance with the rules (courts, police, etc.).

Institutions are the regulatory framework and determine the interaction between the subjects of economic relations. The study of institutional models opens up the organic relationships between the factors of general economic development. Institutionalists point out that the process of development involves not only the economic subsystem, but also a wide range of non-economic variables, both formal and informal institutions, culture, and the whole system of values, that is a necessary condition of development.

The Russian sociologist F.E. [Sheregi \(2001\)](#) states that educational institutions represent a basic social institution that determines the level of scientific, technical, economic and cultural progress of society ([Sheregi, 2001](#)). Within the framework of institutional approach, education is understood as a sustainable organization form of public life and joint activities of people. This form includes some persons and institutions endowed with power and material means for implementation of social functions and roles, management and social control. All that provides the process of training, education, upbringing, development and socialization of the individual along with subsequent mastery of profession, specialty, and qualification.

As a social institution education has some important characteristics such as the performance of its functions. The functions of social institutions are usually treated as social and historical institutional universals, as various consequences of institutional activities that affect preservation and maintenance of the social system as a whole. Talking about the social institute of education there is no consistent definition of its functions. The main reason is the difference in methodological orientations of scientists. The social impact and effectiveness of education are delayed in time as well ([Voronenko, 2010](#)). Educational institutions perform a certain economic function in society. The economic functions of education include formation of the socio-professional structure. Educational institutions provide employees with the necessary knowledge and skills, affecting the economy through appropriate training (both professional and social) of production process participants. In other words, education as a social institution is characterized by a special system of functions focused on certain social needs. These functions contribute not only to maintenance of integrity and development of society but to reproduction of the educational institution itself.

The growing interest of scientists in the new institutional theory is reflected in the borrowings of its conceptual and methodological material in various related scientific areas. Using the provisions of neo-institutionalism, we try to build a theoretical model of social and labor relations regulation to comprehensively reflect relationships between its subjects in the process of working practice.

Within the framework of neo-institutional theory, the aggregated labor relationships are a multifaceted phenomenon. In the face of constant social changes, it can serve the basis to study the social and labor relations in various conditions of development. This logic and clear methodology comply with the humanization trends in economy and labor relations. It will determine the possible ways of social and labor relations development, the potential of current innovations in their regulation ([Dolzhenko, 2014](#)).

We consider N. [Fligstein's \(2001\)](#) research scheme to be the proper basis. The specifics of the subject include three elements:

- Institutional entities, allowing the subjects to carry out labor activity;
- Motivational structures of agents that determine the reasons for their actions;
- Control concepts that allow agents to interpret their own actions and actions of other agents to shape the specific working behavior

These elements are related, as institutional entities are jointly expressed in control concepts and affect economic agents. It seems quite possible to offer the institutional-level concept of social and labor relations regulation (Fig. 1).

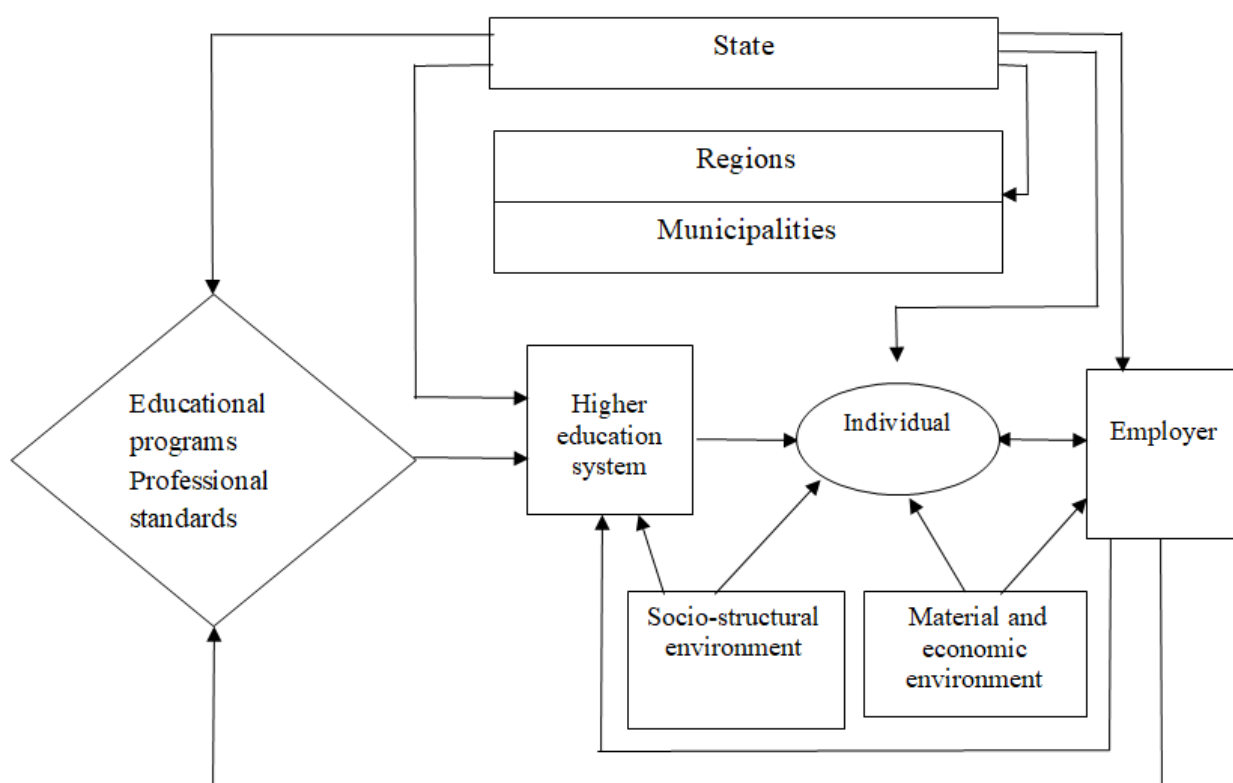


Figure 1: Institutional-level approach to regulation of social and labor relations

The proposed concept considers interests of all the subjects of social and labor relations (person, employer, state, education system), all the levels of management impact on the system of social and labor relations (state, regional, municipal) as well as specifics of the modern higher education system (development of educational programs based on the Federal state educational standards and professional standards).

But the process of formation of the future specialists is also regulated by professional standards in the field of continuing professional education. The technology of professional standards development involves wide monitoring of the employers' requirements for qualification of the personnel in professions which are important for the Russian economy. Problems and prospects of professional standards development are represented in Table 3.

Table 3: Problems and perspectives of implementation and development of the third-generation Federal state education standards

Unsolved problem	Perspective state
Lack of certain Professional standards	Bringing the Federal state education standards in correspondence with the Professional standards
Double nature and excess of the Federal state education standards	Development of "framework" Federal state education standards for the enlarged group of specialties
Impossibility to measure the competences and lack of clarity	Application of a single approach to formulation of competences
Application of quantitative characteristics in requirements to conditions of implementation of the Federal state educational standards	Description of requirements to the quality of conditions of implementation of the Federal state education standards
Lack of succession of the Federal state educational standards according to the level of education	Formation of the successive list of the Federal state educational standards according to the levels of education
Lack of common requirements to the Funds of assessment means that measure the quality of mastering of competences	Development of the single approach to the Federal state education standards on the basis of international standards

Currently, they try to bring together educational and professional standards requirements. However, there are some difficulties. The analysis discovered that the process of requirements convergence has gone through several stages, the results were not always planned (Vodenko, Komissarova, and Kulikov, 2019; Vodenko, 2019).

CONCLUSION

We studied the specifics of interaction between the subjects of social and labor relations and higher education in the context of institutionalism and neo-institutionalism methodology. The study is based on methodology of interdisciplinarity and integrates the attitudes of sociological and economic discourses. We proceed from the idea that the system of modern higher education is integrated into the subject space of social and labor relations. From our point of view, the framework of institutional approach makes it possible to analyse the specifics of modern higher education system development and proposes adequate mechanisms for its improvement and management. On the basis of neo-institutional approach, it is possible to investigate the phenomenon of social and labor relations in the most complete and detailed way because these relations always represent a certain set to be studied comprehensively. Within the framework of neo-institutional theory, it is possible to develop a mechanism for management and control of employment and social and labor relations development. On the basis of these provisions, we proposed an institutional-level concept of regulation of social and labor relations.

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