

COMPETENCE BASED SUSTAINABLE DEVELOPMENT: QUALITY OF EDUCATION

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Sustainable development of region and its human capital, formation of an open-minded intelligent personality and quality workforce is affected by a number of objective factors. Development depends greatly on the expanding role of education and increasing performance efficiency of the education system. The goal of the research is to examine the theoretical aspects of the competency model, analyse the functions of education in economics and formation of human competencies, as well as analyse the development of education quality and services in the context of sustainable development. Research methods are the analysis and synthesis of scientific literature, as well as logical and comparative analysis. The results show that socio-economic nature of education in forming human capital can be expressed as a set of regularities that refers to formation and functioning of labour force (human resources) and corresponds to the present needs and opportunities.

Key words: development, competences, education, human capital, quality of education.

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Introduction

In many countries all over the world, also in Latvia, contemporary global developments have led to establishing new living standards and for the time appropriate formation of human capital that manifests itself for the greatest part in the following way:

- increased development of the consumption sector of economy and service industry that has introduced considerable changes in the human lifestyle ensuring high living standards, of course, taking into consideration the income level;
- intellectualization of human life and performance, development of intellectual informative global networks serving as prerequisites for tight links of individuals and the society;
- individualization of production caused by principally new technological achievements, as well as by development of intellectual property qualitatively identifying the new tendencies of human capital development.

Alongside with the world globalization and the new competence-based society developments today, there also arise new issues related to sustainable development of society and national economy, such as:

- moving to a new dimension of public life that envisages to place the human being in the centre of socio-economic mechanism (as a producer and consumer), the need arises to develop new approaches to economic and management theories, which are closely related to labour and development of its competencies;
- attention is focussed on two socio-economic areas, namely, intellectual sphere and consumption, resulting in the need to assess or reassess the importance of education for the economic development and progress of society, because it directly

affects the sustainability of the country and its specific regions and the formation of qualified workforce.

Human capital of Latvia and its developmental problems should be evaluated in the global and regional context. In order to make human capital competitive, it is of vital importance to be aware and be able to overcome the obstacles and seek for new possibilities in developing and realization of human capital. To this end those issues of developing and realization of human capital should be analyzed that in the most direct way influence the labour productivity. In this context the problems of country's growth related to the effect of educational factor are studied in two aspects: aspect of socio-economic progress and in terms of factors and circumstances which are objectively necessary for the development of society and its growth.

The goal of the research is to examine the theoretical aspects of the competency model, analyse the role of education in economics and formation of human capital and competencies, as well as analyse the development of education quality and services in the context of sustainable development. Research methods are the analysis and synthesis of scientific literature, logical and comparative analysis. In the context of competence-based sustainable development, the authors treat the aspects mentioned above in close relation with determining the developmental trends of the education system and effective and high quality management of the processes under circumstances of significant economic changes, as well as they are also related to the level of government impact on establishing economic balance for the society and implementation of the market mechanism in the education sector.

Competency model

One of the most widely used definitions of the concept of competence in the scientific literature published in Latvia states: „competence is a set of knowledge, skills and attitudes that qualifies for completion a task of a particular kind or level” (Rauhvargers, 2007).

The notion of competence is rather new in Latvia; therefore it is still rather difficult to define its practical significance and structure. In fact, human abilities, knowledge and skills are called competencies and they are divided into basic groups consisting of qualities to be defined in a greater detail.

In different sources of literature competencies are grouped and structured, creating different competency models appropriate for each situation. Each competency model has its subordinate individual competence, which is defined and described in a greater detail, moreover, each competence may be diagnosed by specially designed assessment methods. Since each group of competencies cover a wide range of individual skills and abilities, it is possible to assess each professionally active person and determine person's progress and strengths, stating which component is more advanced, as well as which competencies are dominant to achieve appropriate results in his work (Boitmane, 2006). Thus, it is possible to determine personality type, stating whether a person is focused on professionalism, knowledge, interpersonal skills, activities, innovation and leadership, or on personality traits.

Summarizing the findings of scientific literature review the authors classify the competencies in the context of human capital development and education in the following way:

1. *Professional competencies.* Self-organization of a person for intellectual and physical activities to address business and other specific issues. Presentations, project and process management, as well as quality management skills. Orientation to the goals and objectives. The ability to analyze. Skills to operate devices and equipment of various degrees of sophistication. The ability to solve problems, competence judgements. Knowledge management, awareness of results. Ability to demonstrate synthesis of new and strategic ideas and strategic decision-making.

2. *Social and communicative competencies.* Cooperation with others, development of new plans, setting tasks and targets. Ability to express ideas in a well-structured and logical manner. Ability to influence colleagues and take responsibility, autonomy. Ability to maintain emotional stability in complicated situations. Ability and readiness to act fairly without regard to their personal sympathies. Readiness to delegate functions to others. Ability to motivate and care for others. Ability to instantly integrate various items and solve problems. Identify and tackle conflict situations.

3. *Personal and responsibility competencies.* Person's ability to self-assess, productive work, adequate behaviour, motivation. Willingness to develop oneself as a personality, to develop one's talent. Take responsibility for the quality of the work done. Being able to positively affect the team. The ability to resolve conflicts. Self-control and openness to change. General intelligence, operational intelligence, mental flexibility, complex thinking skills, concentration, watchfulness and alertness, good memory.

4. *Innovative, learning and leadership competencies.* Personal self-organization for active participation with others. The ability to combine emotions, motivation, abilities and experience. An individual seeking and accepting opportunities to learn and seek advice. Takes responsibility for his/her own training or training of subordinates, as well as understands the need for continuing education and provides such opportunities. Actively participates in preparing and training new employees. Able to make decisions, willing to support innovation. Consistency, persistence and purposeful activity. Planning and management skills, creativity.

Analyzing a number of scientific literature sources, it may be concluded that the concept of competence has undergone definite development stages. Fast changes in public life and education make us look at the category of „competence” from a different point of view, extending its contents and adapting the nature of competence to contemporary requirements.

If before, there existed a rather narrow and wrong opinion that the notion of competence means a set of responsibilities and rights of an official stipulated by law and regulations in a specified field, lately the understanding of this notion has become much broader. For example, considering the skills for a specific practical standard situation to be insufficient, the entrepreneurs ask for competencies where both individual skills of every person acquired via training are included, and social behaviour, team building skills, initiative and readiness to take risks, as well as subjective qualities that managing directors of the companies often call „life skills” combined with knowledge, create the required competence.

Summarizing all the above mentioned the authors conclude that competence is not only the knowledge learned, acquired and accumulated, skills and attitudes, but also the ability to use and develop. Competence is linked with individual's abilities to learn, communicate and cooperate in a changing environment. Thus, in fact competence has become one of the key human characteristic features and is closely related to human capital development. Therefore, the authors consider it necessary to consider the educational functions in the process of formation and development of human competences.

Education functions and their role in economy and competence development

In a democratic society based on human personality and directness of mind, the priority function of education is to build a personality because during the education process mental, cultural and material values accumulated by earlier generations are handed over to the younger generation, as well as new values are created and reproduced. Enhancement of individual and collective values and knowledge acquisition allow people to manage the environment and have a dominant influence over their own destiny.

The crisis of education in some of the developed countries was observed in the beginning of the seventies of the previous century – at the time when complications arose in all of the business mechanism systems of these countries. The demand for education services continuously growing, eventually led to the fact that production was not able to accept and adequately employ the entire highly qualified workforce. A lot of specialists with diplomas became unemployed, the prestige of higher educational establishments and education on the whole fell – these are the most prominent features of the education crisis (Johnston, 1991). To some extent similar situation could be seen up to the present time.

Modern economists have their own views. They consider it unacceptable to apply the free competition principles in education excluding government participation in the education process. There are three main approaches in support of government intervention and its level in provision and financing of the education functions and processes. Researchers' opinions vary in their approaches concerning the role of education as a stable factor of the development of national economies.

The first approach is "education as a prerequisite for human capital formation." Proponents of this approach believe that people acquiring knowledge, invest in themselves and generate revenues due to their knowledge (Bok, 1986). It is advantageous for the society in that it derives a whole series of positive effects (increase in national income in intellectual as well as material terms, productivity growth and other external effects). Thus, government intervention in education aimed at streamlining private and public good and regulating the education costs would promote sustainable economic development.

The second approach is "education as a signal". It does not consider education as a production factor, but rather as a factor which only indirectly affects the efficiency of the economic system (Spence, 2002). The proponents of this concept share the opinion that education does not enhance productivity as a whole, but serves only as a signal that sets apart the more capable staff from not so capable, i.e., performs the

signal function. Educational institutions within the framework of this concept act as a "sieve", through which talented and qualified potential employees are screened.

The third conceptual approach to government involvement in financing education and providing the education process are dealt with as a kind of consumption when population receives education services (Mankiw, 1992). The essence of the approach expressed is the following – the costs of education are not the cause, but the consequences of economic development, which means that the GDP growth leads to increases in expenditures on education, but the GDP growth rate reduction is accompanied by rapid fall of these expenditures.

The economist G.S.Becker has suggested that there is a precise correlation between the employee's level of education and lifelong income (wages), it reflects causes and consequences (results) that link education and wages (Becker, 2007). Continuous improvement of the education process is one of the basic ways for maximum development of science, whereas, on the one hand, education is preparing people for science (young researchers) who by developing science elaborate new technologies, equipment and devices, thus increasing productivity in a specific economic sphere, and, on the other hand, the education system prepares professional people who know how to use these new achievements.

In today's circumstances, education is understood not as an end product of one stage of human life, but as an ongoing process, more and more mentioning and emphasising the concept of lifelong learning. Lifelong learning is a process continuing during all stages of human life, based on the need caused by internal or external factors to acquire and perfect knowledge and skills. It opens up opportunities for members of the public to educate themselves throughout their lives, increasing or changing their qualification to meet the demands of the labour market, their personal needs and interests. Alongside new competencies it also develops inherent capabilities, combining informal learning with formal education (Koke, 2008).

Economic competitiveness to a large extent is not determined by natural resources, but the quality of national or state "human capital". Entrepreneurial potential, management flexibility and efficiency depends on people, their level of education and experience. Human capital is the most valuable resource, and is more important than natural resources and accumulated wealth.

The principles for assessing employee competencies, their 'professionalism' or 'qualification' have greatly changed. Where previously it had been estimated only by certain training and qualification level, which incorporated in itself almost exclusively technological knowledge and skills within a given specialty, now there is talk of competence as a capacity and ability to resolve any issues raised in the manufacturing or commercial processes not only the technological ones.

The growing role of education in training skilled labour determines transformation of the system itself: network of educational institutions is expanding and the diversification of the education process and its forms increases. All this provides the need for a new conceptual approach to organisation of the whole education system so that it becomes an area for preparing skilled workforce.

All in all, the authors conclude that with the development of market relations, impact of public authorities and institutions on the education management processes

decreased rapidly, which contributed to the development of autonomy of educational establishments and ensured their administrative and economic autonomy. After regaining independence starting from 1990 private higher schools have been established in Latvia and starting from 2001 also private colleges. In general educational services have become a part of business, particularly in non-formal education (different courses and continuing education) and higher education levels, so there is a need to have further insight into the quality of education development.

Education quality and development of services

It is not possible to develop human capital without making the education system many-sided and more versatile. The development of human capital to a great extent is linked with different forms, methods, kinds and levels of education services. On the whole there are several significant issues linked with education services, such as education quality, economic efficiency and availability of education. All of these issues are essential for any democratic society where education is not a privilege of elite. At present we cannot do without lifetime learning, rational planning of the duration of studies, education availability, development of the forms of education, etc.

Contemporary development of high technologies and production require the establishment of flexible education system that is sensitive to changes. From the labour market position the conception about reviving education is more flexible in comparison to the traditionally developed education system. If education concentrates in a limited period of time, then due to inaccurate forecasts determined by quick changes in production, it should by its nature be many-sided and less specialized, at the same time the reviving education allows people to choose from different specialization kinds several times in their lifetime.

This conception of education has a particular role in enhancing the motivation of education. A closer link is developed between education and job, theory and practice, thus the reviving education may satisfy needs of many people who set themselves specific aims. Job between learning (training) periods, in turn, contribute to further development of the personality of the educatee, enlarges his/her point of view and offers experience facilitating the choice of the education track.

The educational system and its services offered is one of the components of public service sector. However, the authors wish to note that many of the education sector experts believe that education is not a service in its classical sense. The specifics of this sector is linked with the fact that the system provides public services which in the economic theory is called - public goods and services with the highest value.

Conclusion

An essential feature of contemporary education is the necessity of strategic changes in the traditional stages of education (elementary – basic – secondary – higher) being too simple, taking into consideration the many-sidedness of requirements for qualified employees. Moreover, such a constant structure even, if the number of

schoolchildren grows, does not ensure the needs of national economy of well-prepared specialists. The quantity in this case does not guarantee the quality.

In contemporary situation it is very important that all the elements (or stages) of the education system would not exist separately, but would supplement each other so that it would be possible to inherit knowledge, in order that the subject of the labour market entering a new level of the education process would exactly feel the real professional opportunities and the level of qualification, and would be able to make the right decision whether to continue studies or think about starting his/her professional activities (or to combine both) depending on the corresponding quality labour force demand.

The authors may conclude that human capital formation is largely dependent on the development of national education and enhancement of effective functioning of all its systems. In turn, competence-based education in the context of sustainable development is performing multiple functions, which the authors have collected and grouped, believing that education manifests itself as:

- major factor in the process of formation (reproduction) of public production force – workforce development, interconnecting physical and mental abilities;
- accumulated intellectual potential (education level and quantity of educated people), which creates favourable conditions for the scientific and technical progress, enhancement of labour productivity, reduction of science to direct productive forces providing the growth of national revenues;
- promotion of culture as an economic factor that contributes to industrial relations through the development of cognition and coordination of the activities, which, in turn, ensures the scientific organization and management of public production by improving the production process itself;
- factor that creates the conditions for the harmonization of interests of society that are formed on a deliberate, creative, and prejudice and violence-free basis. True freedom in terms of the need for each person to understand their place in society;
- characteristics of the workforce quality – everything that makes human a personality and is achieved through education as a process of work;
- part of the reproduction of labour, i. e., as one of the public factors needed to be reproduced.

The authors come to conclusion that in today's global world and development of civilization (globalization of the economy, economic growth of the consumer sector, intellectualization and individualization of production and life processes), under the new requirements of the quality of life of socium and certain types of socio-economic relations (property relations, social structure of society, objectives and means of achieving economic activities), the formation of human personality as an intelligent and productive workforce takes place, which in turn establishes the role of human competence-based development.

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DARNUS VYSTYMASIS KOMPETENCIJŲ PAGRINDU: ŠVIETIMO KOKYBĖ

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Šiandieniniame pasaulyje globalizacijos sąlygos skatina naujų gyvenimo standartų kūrimą ir atitinkamo žmogiškojo kapitalo formavimą. Tyrimo tikslai yra kompetencijų modelio teorinių aspektų studijavimas (nagrinėjimas), švietimo vaidmens analizė ekonomikos, žmogiškojo kapitalo bei kompetencijos formavimo srityse, kokybinio švietimo paslaugų plėtros analizė darnaus vystymosi kontekste. Tyrimo rezultatai rodo, kad darnaus vystymosi kontekste švietimas yra svarbus darbo jėgos viešojo formavimo veiksnys, sukaupias intelektualinis potencialas, darbo jėgos kokybės sąvybė ir darbo jėgos gamybos dalis.

Raktiniai žodžiai: plėtra, kompetencijos, švietimas, žmogiškasis kapitalas, švietimo kokybė.
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