Financing of Education as a Process of Formation of Human Capital and an Instrument of Socially Oriented Policy of the State

Nidziy E.N.
Federal State Educational Institution of Higher Education "National Research Moscow State Construction University"
129337, Central Federal District, Moscow, Yaroslavl highway, 26
e-mail: elena.nidziy@mail.ru

Abstract—The priority of science and education is a factor in the dynamic development of both a separate region and the state as a whole. The introduction of science-intensive technologies into production is a key task, the solution of which will help to take Russia's leading positions in the global economic space. All this requires a review of the financing processes in the formation of human capital. It is well known that the development of human capital leads to an increase in the efficiency of all factors of production. At the same time, the level of development of the country is directly dependent on investments in the social sphere. Today, when the state financing of social investments is significantly reduced, there is a need to address the problem of insufficient financing of the education system, the development of new financing instruments, assessing their effectiveness and identifying ways to integrate them into the social and economic system.

Keywords—human capital, financing, social investment, education system, development strategy.

I. INTRODUCTION

In Russia need of deep correction of a course of social and economic policy amplifies. It is about turn to ensuring economic growth and increase in his quality, including the prime solution of social tasks. The sharpness of problems is caused by the fact that in the country the discontent with results of the undertaken reforms increases, critical evaluation of their social results amplifies. It dictates interest not to personal shifts in structure of the power, and to change of the sense of economic policy, her social reorientation and mechanisms of implementation. Without similar changes it is impossible to count on trust of a general population to the carried-out transformations, so, and on their success.

The choice of a course is an accounting of social priorities, the interests of society, its moral values.

It is necessary to notice that the turn to the solution of social tasks isn't something unexpected, as a result of the latest developments in science, the equipment and production there were absolutely new approaches, new sense, both development of economy, and forming of social values. The modern world practice demonstrates that the level of development of the country is in direct dependence on investments to the social sphere. It is about science, education, culture, health care and other related spheres. Up to 40% of gross national product the most developed countries receive as a result of development of an effective education system. From the economic point of view, investments into development of education pay off most quickly. According to the American experts, 1 dollar of expenses in an education system gives 3-6 dollars of profit.

Education allows to use favourably within all process of production a number of positive factors. So, it is noticed that educated people use the capital more effectively therefore it becomes more productive. They are also predisposed to introduction of innovations, to the invention of new, more perfect forms of production. Besides, they share the received results with fellow workers who study at them. Thus, increase in education level leads to increase in efficiency of all factors of production [2].

Sometimes it is necessary to hear reasonings that "we will lift economy today, and tomorrow - we will address the solution of social tasks", but they are wrong and especially dangerous stereotype which reflected the carried-out unpromising reforms. Therefore now on the agenda there is also a problem of shift, change of priorities.

Transition to socially oriented highly effective and competitive economy assumes: achievement of modern characteristics of quality of life of the population and environment of his dwelling; updating of production technologies; strengthening of a role of the state in regulation of economic and social processes; strengthening of infrastructure, including the stable financial and bank sphere working for production and enjoying confidence of the population; transition to the reliable system of social partnership of workers, businessmen and state[6].

Weakening of state policy in the field of development of human resources in the present can cost much in the future, insufficient social investment into the human capital, even to a type of lack of means, is false economy and leads to social instability of society, malnutrition, diseases and rise in crime [1].

II. EXPERIMENTAL PROEDURE

During various transformations of the Russian economy the market mechanism has lost two major factors of effective demand – consumer demand and investment demand. The present extremely low level of income of bulk of the population in many respects caused by the insufficient knowledge and professional skills necessary for market economy is the main limit-
ing factor of investments and the more so revival of investment process in education [4].

The educational credits, programs of development of personnel in higher educational institutions and socially studying organizations can become instruments of activation of sources of financing of education [7].

Carrying out educational crediting, the state can pursue several aims:

- ensuring rational scales and proportions of the higher education in the field of civil engineering through regulation of number of the financed educational places;
- distribution of financial resources between Higher education institutions according to the state interests, inquiries of students and employers;
- ensuring availability of the higher education to representatives of all social groups of the population.

The system of the higher education with accurately debugged scheme of granting the educational credits has a number of undoubted advantages to each of its participants of process of educational crediting.

For students:

- the possibility of the choice of higher educational institutions, despite of such essential restriction which training cost is extends;
- payment of educational services will create an opportunity to raise requirements to training process.

For higher educational institutions:

- return of educational process due to personal interest of students in knowledge acquisition in the field of civil engineering for the subsequent employment which will allow to return in due time obtained credit increases;
- there is an effective instrument of impact on students, their motivation to study increases;
- paid educational services allow higher educational institutions to receive independently money and not to depend on distribution of budgetary funds;
- there is feedback between higher educational institution and roar of work which allows to develop quickly and effectively the new specialties and specializations really demanded in the market.

For banks:

- expansion of client base of natural persons, especially in long-term aspect;
- gaining positive reputation;
- an opportunity to offer additional services for natural persons;
- when strengthening a role of the state in the system of educational crediting, in particular, granting the state guarantees on the credits, happens strengthening of stability of the bank.

The Russian companies have begun to realize that effective training has to become continuous and purposeful process [3]. Such organization which supports process of training in all areas is socially studying.

The author has formulated five criteria to which there has to correspond socially studying organization:

1) Interest of the management of the organization in success of work.
2) Development of policy of work with human resources and creation of the special service of personnel which is carrying out development, introduction, functioning and constant improvement of the following subsystems of management of development of personnel.
3) Diagnostics of ability of the organization to training in express techniques, known in literature, with correction of these techniques taking into account special business behavior of the Russian companies.
4) Use of special methods and technologies.
5) Involvement of process consultants for management and organizational development.

Management of socially studying organization provides the following functional subsystems:

- subsystem of planning and staff recruitment, system of professional selection and formation of an external personnel pool;
- a subsystem of accounting of the movement of personnel structure, professional adaptation of the employees who are again accepted and transferred to other position for effective implementation of the professional duties by them;
- subsystems of continuous increase in vocational level of training of personnel;
- subsystems of assessment of efficiency of performance by personnel of the official functions, planning of professional development and career, formation of an internal personnel pool;
- subsystems of motivation and social development of personnel;
- subsystems of financing of development of personnel.

III. RESULTS

Thus, the educational credits and programs of human resource management in socially studying organizations can become instruments of activation of sources of multichannel financing of education.

As a result of the tools of financing and the formulated criteria of his assessment offered by the author definition of a concept socially studying organization is given. Socially studying organization should be considered such organization which creates conditions for training and development of all the workers, is in process of continuous self-improvement and introduction of new innovative technologies, thereby changing the social environment surrounding it.
IV. DISCUSSION

The main global trend in formation of modern society is transition from raw and industrial economy to the so-called "new economy" which is based on intellectual resources, the high and information technologies. It is important to emphasize essentially that "the new economy" isn't exhausted by information aspect, and represents qualitatively new technological level of all national economy, including the operating productive forces of society, including the human capital [3].

Russia has serious prerequisites for development of "new economy", first of all relying on considerable potential in the field of innovations, high education level, information technology development.

Major factor of development of "new economy" are knowledge and qualification of his carrier, that is "the human capital". Knowledge is created by educated people as a result of researches and takes root into human life in the form of new technologies. The latest high technologies, including information and communication, become factors of economic growth only on condition of existence of the appropriate human resources, skills, competences, knowledge [5].

That knowledge and skills which the person gains in the childhood and youth don't guarantee success on for the rest of the life any more. And even periodic professional development isn't a solution. Continuous education from which position process of training is characterized as a constant continuum "from a cradle to death" is required. That educational minimum which the person receives in youth forms now only a basis for such continuous education. In information society new knowledge and skills are constantly necessary, and their list changes all the time [8].

Naturally, educational systems have to be transformed according to new realities. It means that the system of training has to change, as well as management of it. Education will demand bigger resource providing, and, therefore, in view of limited opportunities of public financing measures for increase in system effectiveness and ensuring joint participation of a wide range of subjects in financing of educational process have critical value.

The author suggests to direct special efforts to making education by attractive branch for investors, including the enterprises and certain citizens. For attraction of additional investments into education it is expedient to consider a question of introduction of the preferential taxation of private investments, including remission of taxes on charitable donations, and to the enterprises investing money into education, to allow to include costs of preparation and retraining of personnel in production expenses.

Financing of social investments into education makes active one more, undoubtedly the major, a factor of economic growth - science and innovations. Increase in costs of scientific research, compensation of highly qualified personnel, social investments will allow to create new technological products and to get competitive advantage in the market due to quality and a brand even at high prices. However for this purpose it is necessary to create infrastructure, to define what economic entities are interested in creation of new post-industrial economy, constant improvement of the production and innovative process.

V. CONCLUSION

On the basis of the above the author has come to a conclusion that social investments are one of major factors of economic growth.

For achievement of high steady growth rates of economy it is necessary to create favorable social climate and to provide worthy existence of human capacity of the country. Now it is expedient to determine the amount of social investments into education taking into account both current and perspective requirements, and a condition of the scientific and innovative sphere.

Respectively the strategic program of development of the social sphere and continuous increase in social investments with attraction of all possible sources of financing are necessary for maintenance of the human capital of the country.

REFERENCES