

The Introduction of the Three Cycle Model – The Polish Experience

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A three-cycle study

- **The bachelor and master degree split accepted** to varying degree throughout Europe - is one of the major impacts of the Bologna Process.
- A consistent **three-cycle study structure** is a **trademark of the Bologna Process** in many countries.
- The Bologna Process in Poland was seen (prior to the EU enlargement in 2004) as **an effective avenue to integrate Polish universities** with their Western European counterparts.
- In Poland, the implementation of **clearly distinct first and second degrees** was perhaps the biggest challenge.
- **The end product is a coherent system of three degrees** – the bachelor, the master, and the **doctorate**.
- The changing **social and labor market perceptions of the bachelor degree** during the implementation of the Bologna Process in Poland.
- Enhancing “**employability**” viewed here as an increasingly relevant “**additional**” objective of the Bologna Process, its “**core**” objective being enhancing student **mobility**.

Transformations

- In Poland, the implementation of the two-tier structure of studies meant, above all, **the transformation of unitary master level studies into two types:** bachelor and master.
- But **short-term master's studies** (mostly two years) appeared in Poland in the public sector in the middle of 1990s: provided **mostly to graduates from the bachelor level studies in the private sector** who were seeking master degrees (called supplementary studies, or *studia uzupełniające*).
- Bachelor studies were introduced in the 1990s **without initial social recognition** – they were not viewed as leading to **complete higher education**.
- Viewed by both the society at large and by the labor market as **a necessary but only the first step in higher education, leading to complete higher education** when master degrees are obtained.
- Consequently, the vast majority of **bachelor-studies graduates from private sector institutions continued their education**. Either in **public** sector higher education institutions, or in those **selected (10% in the 1990s) private** institutions which had the legal right to offer master degrees.

Bachelor studies and expansion

- Bachelor studies were especially important for those systems which **wanted to expand rapidly, and in particular – to expand through (the newly founded) private higher education.**
- Poland as the best **example**; other examples in the region include also Bulgaria and Romania.
- Poland (following the Law of 2005) **until 2008 was still maintaining a parallel system** in which old-type 5-years-long master studies **existed alongside** new bachelor (3-3.5 years) and master (1.5-2 years) studies.
- In **2008, the enrollment** in the former type of studies, except for some specific study fields like medicine or law, was **abandoned.**

Cost and mixed attitudes

- **Economic arguments** in favor of strengthening the role of first-cycle studies in higher education: the **cost of studying shorter** (3-3.5 years instead of 5 years) in systems where fees are low (or none) is **lower to the taxpayer.**
- **Students' attitudes** toward the bachelor/master degree split are **mixed**;
- Equally mixed are attitudes of **academics** in Europe.
- Nevertheless, the split used across the Continent.

Labor market position of BA holders

- **Strong disbelief of Polish students** in the value of the bachelor degree - contrasted with **increasingly strong belief of the labor market** in the degree.
- Viewed through the proxy of (very substantial) **wage premium for higher education** at the bachelor level.
- Also the **disbelief of employers** (employers' surveys in the last decade) contrasted with **data coming from recent labor market statistics**.
- The bachelor degree is increasingly being **accepted in practical terms**, viewed through **high remuneration levels** compared with secondary education graduates.
- Polish changes in degree structure which started in the beginning of the 1990s were **reinforced by the Bologna Process**.
- The social acceptance of the Bologna Process was higher due to the **presence of the two-tier structure of studies ten years before** the process started.
- The Bologna Process seems to have **substantially increased the labor market position of graduates** with the bachelor degree.

Poland in 1990s - challenges

- **The master/bachelor split was present** already in the 1990s – but since its appearance, **bachelor degrees had low social legitimacy and limited acceptance by the labor market** as higher education credentials.
- **The core of Polish discussions** dominated by a **single theme** – the future of the bachelor degree.
- Policy attempts to keep **90 percent of private higher education institutions at the lower, bachelor's level of studies** throughout the 1990s - as opposed to the public sector with master degrees offered.
- Higher education **credentials**, for generations, **meant the master degree**.
- A lower level degree was offered throughout the 1990s by, generally, **inferior by quality and academic standards, private higher education**.

Willingness to study...

- It was clear in 2005 (when **a new Law on Higher Education** was introduced): the **future of the bachelor degree** would **depend on its labor market acceptance**.
- **The separation** between first and second cycle of studies **partly successful: the social acceptance** to the first degree is still **low**.
- The majority of students express their willingness to **continue their studies into the second degree**.
- But the **response of the labor market** has been **very positive**.

Social prestige vs. labor market (1)

- **The 1990 Law on Higher Education** already allowed for the introduction of the bachelor degree.
- However, in the vast majority of study areas **in the public sector**, though, studies have been offered in two cycles only following the **2005 Law on Higher Education**
- The 2005 Law was prepared to allow the Polish system to be **adjusted to the Bologna** requirements. 2008 – bachelor degree **mandatory**.
- The two decades of **interrelations** between public and private sectors in higher education, with differences in **social prestige** of education derived from both sectors, and changing **labor market attitudes** to the bachelor degree - are important to understand the Bologna-related developments in Poland.
- The negative impact of **low social perceptions** of the bachelor degree has been decreasing and the signs of the **acceptance of the degree come from the labor market (as data show)**.

Social prestige vs. labor market (2)

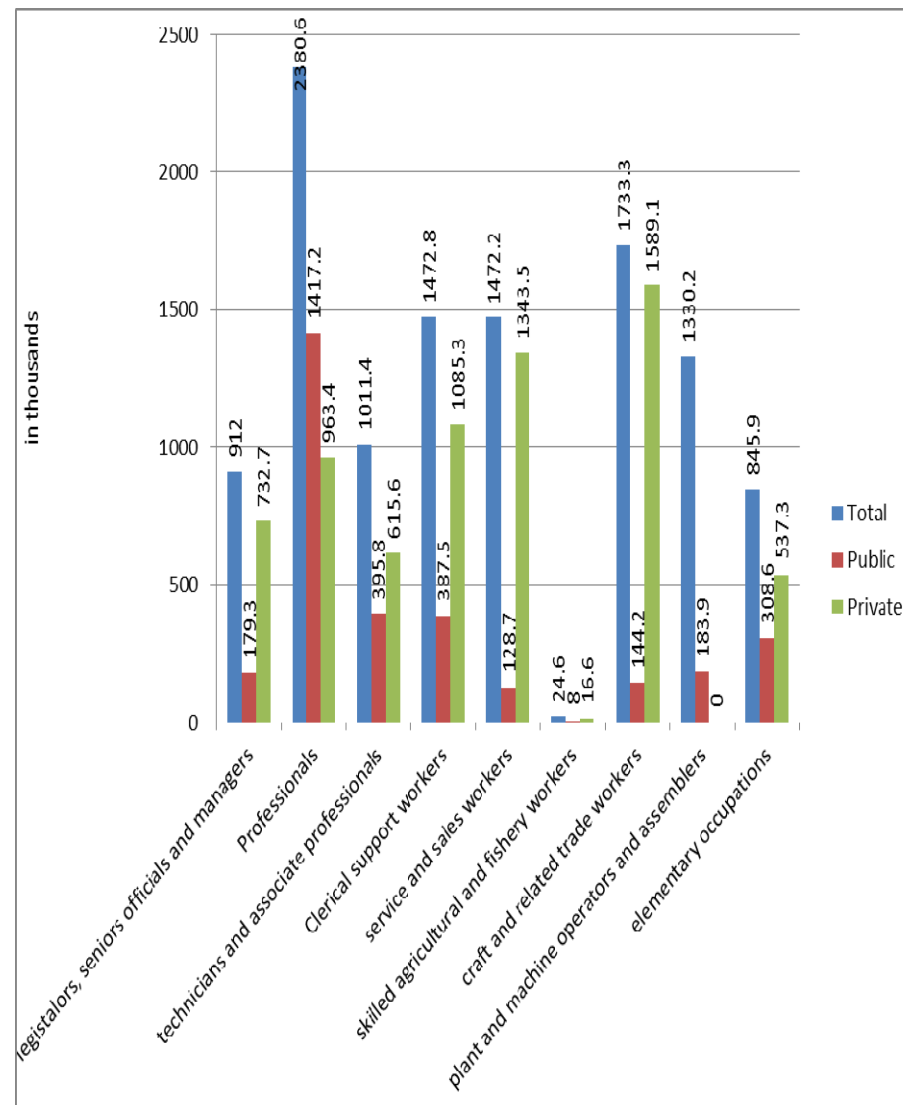
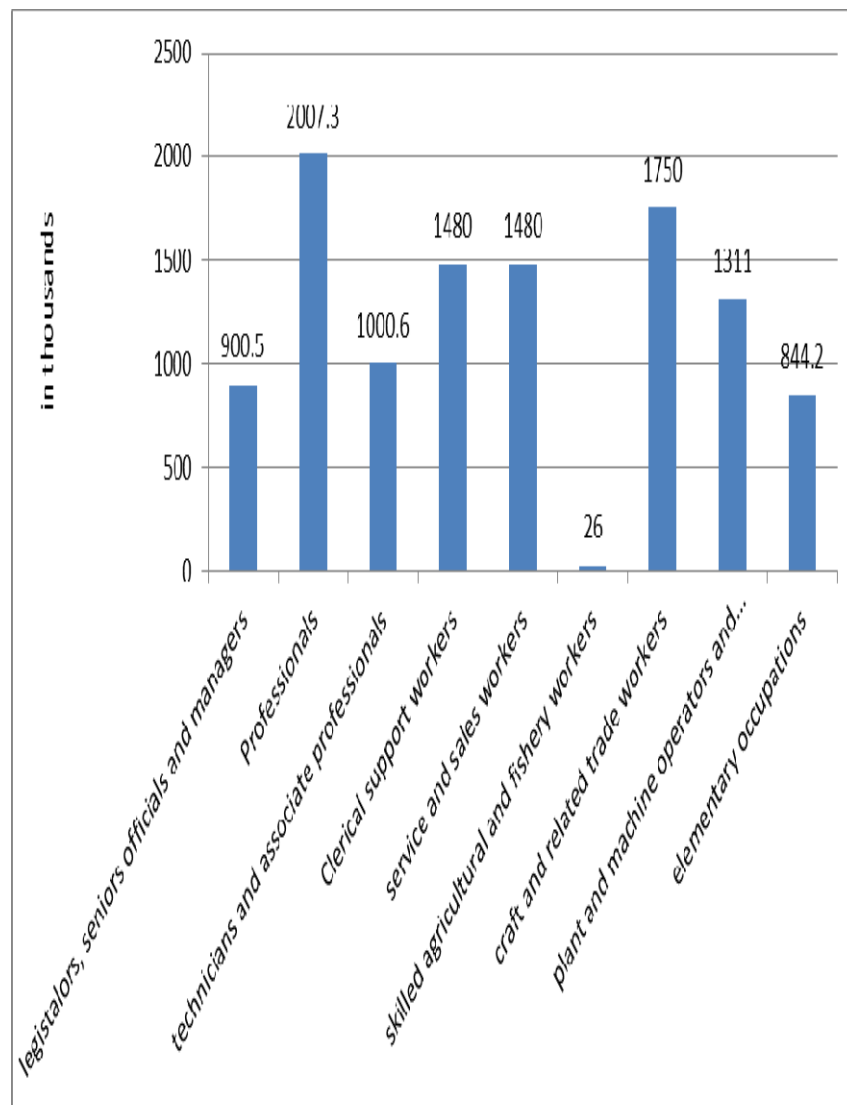
- As long as the first degree was offered **almost exclusively by the emergent private sector** in higher education in the 1990s, it was **refused** as appropriate higher education credentials **by the labor market.**
- Recent national data suggest that while the social prestige of the bachelor degree is still low (**a very high level of willingness to continue their studies** to get the master degree) - **its market value**, viewed through the proxy of **earning premiums on higher education**, is quite **high and increasing.**

Social prestige vs. labor market (3)

- The success of the Bologna Process in Poland **hinges on the success of the two-tier system of studies** promoted by it: if the bachelor degree is found **acceptable** by employers, the two-tier system of studies may find more social acceptance.
- Recent empirical evidence tends to indicate that the **bachelor degree has become a strong pillar of the labor market**, especially in the **private sector which provides about 70% of all employees** in the national economy.
- **The labor force in Poland in the last decade has been increasingly better educated.** The share of economically active population with **higher education credentials** has been substantially increasing; from 2.6 million (2003) to 5.5 million (2015), or from 15 percent (2003) to 32 percent in 2015 of the economically active population.
- **Poland has been rapidly catching up with the OECD average.**

Employees by particular occupations, annual average.

Employees in particular occupations by sector of ownership.



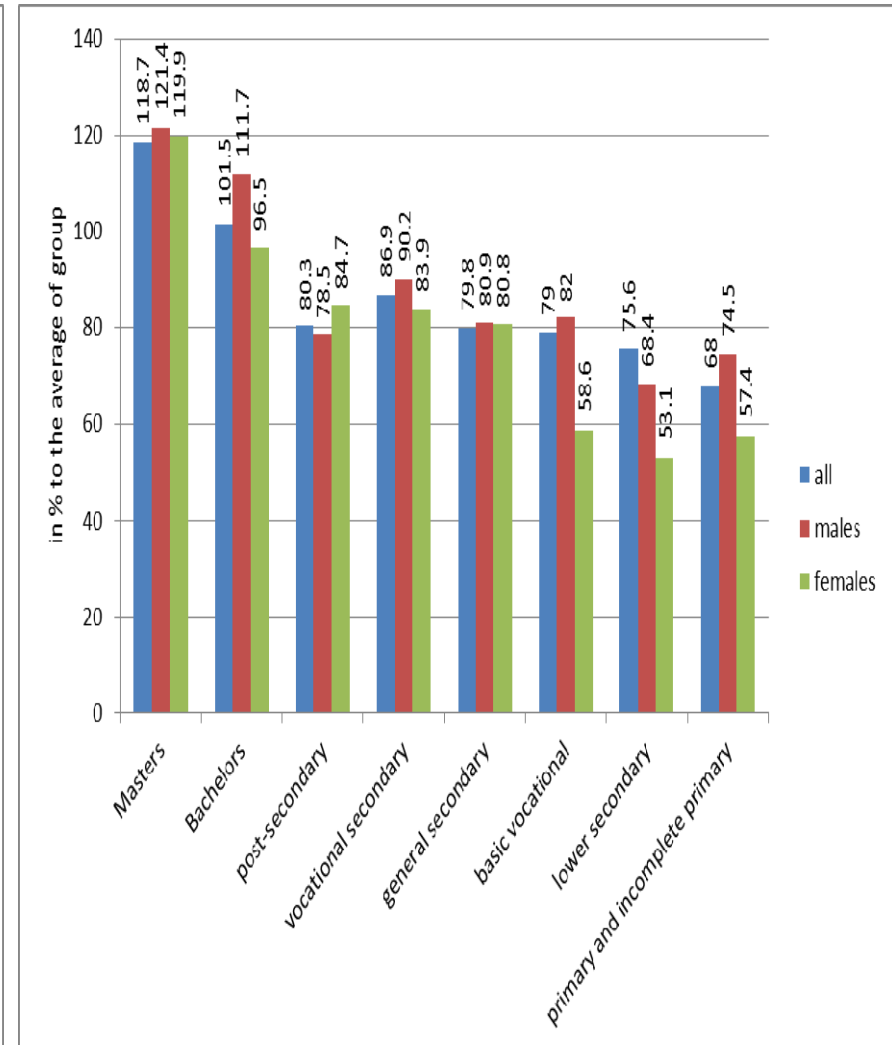
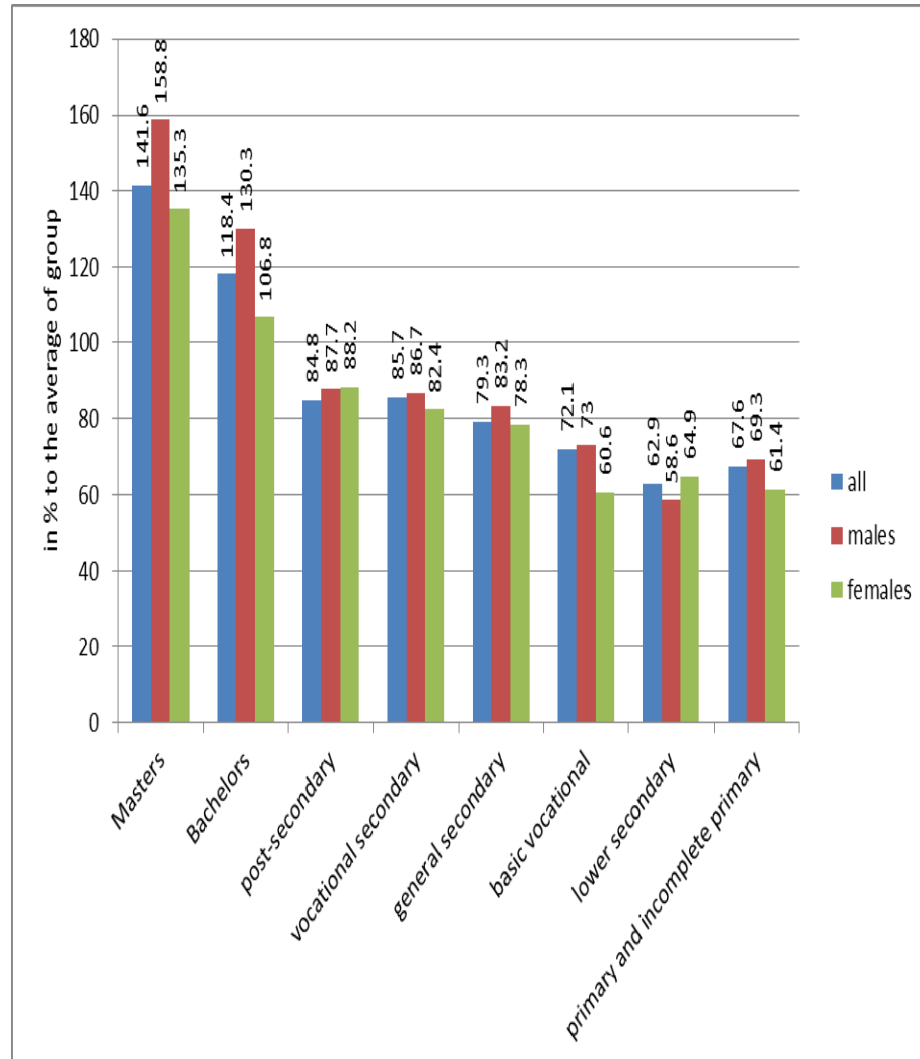
Education gap

- The well-educated segment is the only segment of Polish workforce which is increasing substantially, with all other segments decreasing in the same period.
- Compared with major EU economies, Poland's education gap has been substantially decreasing in the last decade, owing to high level of enrollments in higher education.
- Between 2000 and 2013, the number of **graduates** was about 300-400 thousand each year.
- On the one hand, transformations towards a better-educated workforce are confirmed by the increasing share of employees with higher education in the labor force.
- On the other hand, transformations are confirmed by increasing number of professionals in the labor force.
- Still high wage premium for higher education, at both bachelor's and master's level, seen also by the proxy of average gross salary or average gross per-hour pay.
- Bachelor's level education seems to be much more easily recognized in the private sector – while in the public sector still traditional view of complete higher education as master-level education prevails.

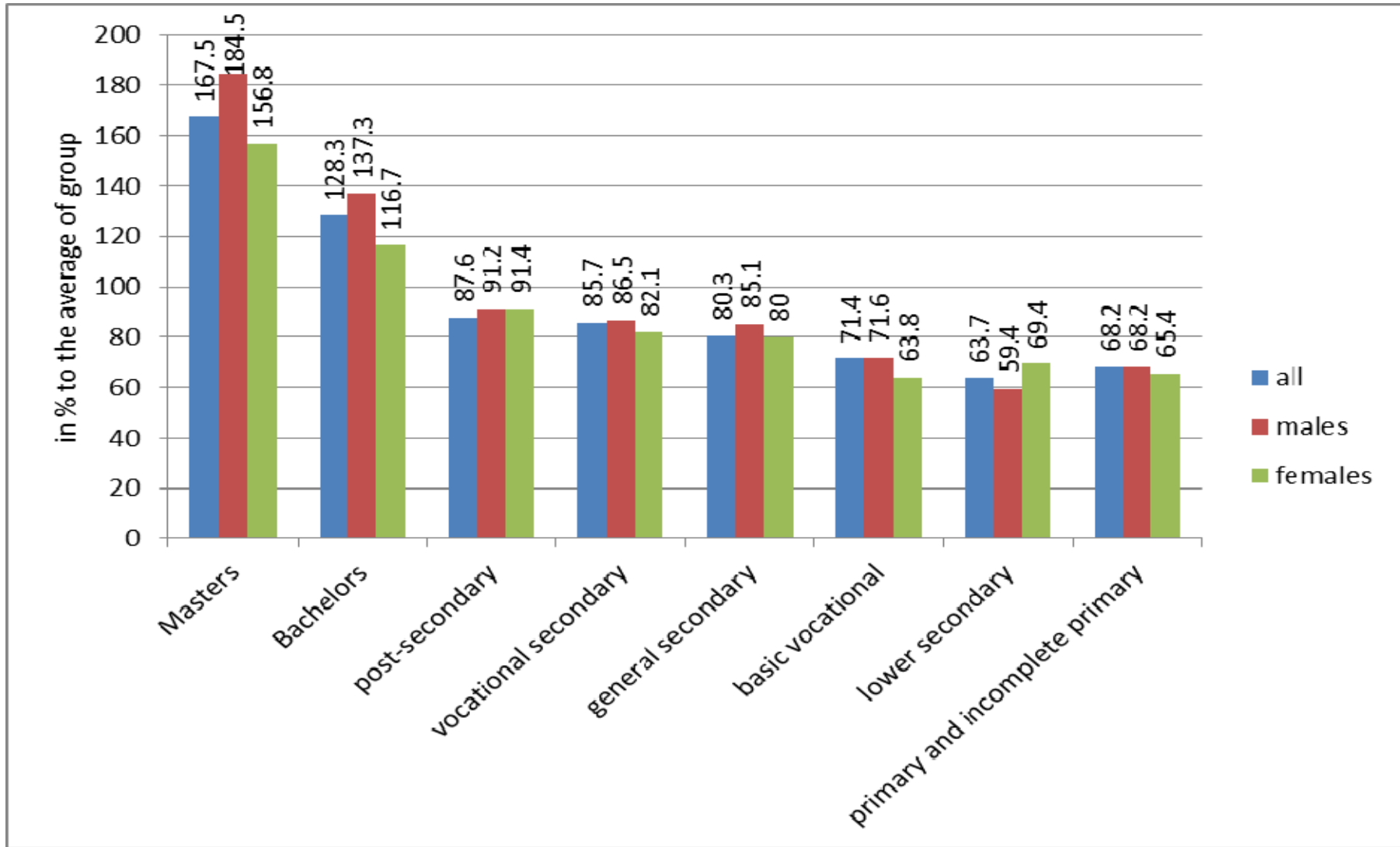
BA and public/private sectors

- The wage premium for higher education is especially high for men in the private sector (185 percent and 137 percent, master's and bachelor's level), and low for women in the public sector (120 percent and 96 percent) – which reflects the dominating gender structure of economically active population combined with levels of education.
- The public sector values highly only the Masters level (about 120 percent).
- The private sector values both Masters (about 150-180 percent) and Bachelors levels (about 115-140 percent).
- At least two reasons for this situation: **the saturation of the public sector with graduates with Master degrees, crowding out those with Bachelor degree or effectively cutting them off from job application and hiring processes** (0.5 million teachers and 100,000 academics);
- And a still strong traditional conviction that complete higher education is **only at Masters level, while incomplete** higher education is at Bachelors level in the public sector environment.

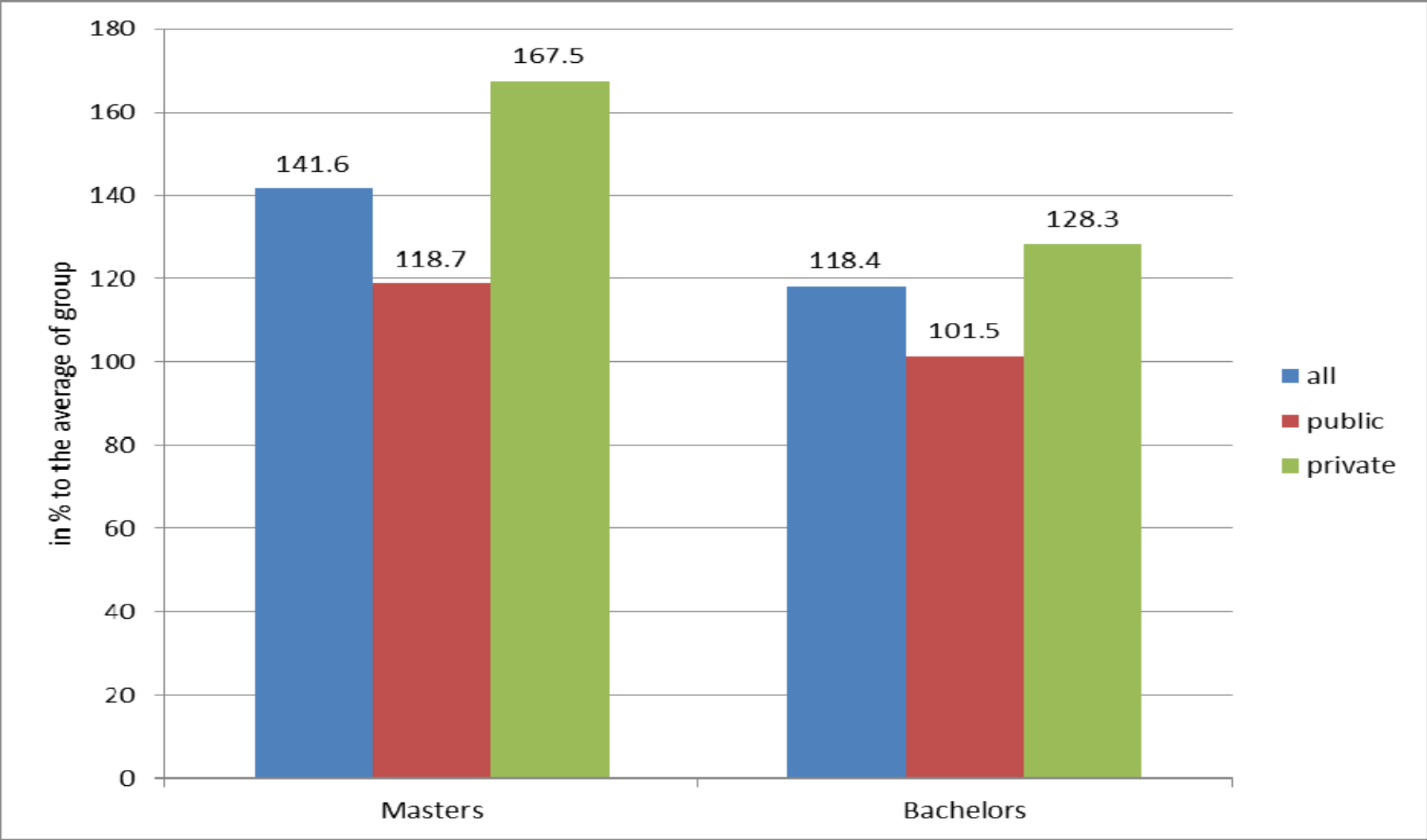
Average monthly gross salary of employees according to the level of education - percent according to the level of education (average salary = 100 percent). Average monthly gross salary, percent according to the level of education in the **public** sector (average salary = 100 percent).



Average monthly gross salary, percent according to the level of education in the private sector (average salary = 100 percent).



Average monthly gross salary for two higher education levels: **masters** and **bachelors** (average salary = 100 percent).



Conclusions (1)

- The economic benefit for men with the bachelor degree is higher than the economic benefit for women with the master degree.
- Men are much higher rewarded for their higher education, regardless of its type (bachelor or master).
- The wage premium for higher education is also **strongly related to the sector of employment**: in the public sector, it is substantially lower than in the private sector of employment.
- This tendency is strongly confirmed by **bachelor-level employees in the public sector** – for women there is no reward or even a penalty (97 percent), while for men and women combined it is only 102 percent.
- The **expectation** about educational levels of employees (professionals) in **the public sector is the master degree, and the bachelor degree is not viewed as an advantage** (not financially rewarded).
- **Higher education is rewarded much higher in the private sector**: both master and bachelor levels, both men and women.

Conclusions (2)

- **Returns to higher education in Poland are high (gradually decreasing);** studying is still very much financially rewarded.
- **Working with higher education credentials in the private sector is rewarded unexpectedly high.**
- Polish empirical studies used to show in the 2000s that **wage premium of higher education for holders of bachelor degrees is close to insignificant, compared with holders of post-secondary education.**
- Not any more!
- The Bologna Process was clearly **instrumental in raising the labor market acceptance of the bachelor degree.**
- Consequently, **the bachelor degree may have still higher acceptance among graduates and employers in the future.**
- **A combination of national and international forces at work** has managed to transform the national labor market attitude to the bachelor degree.
- Poland a **clear success story!**