# RELATIONSHIP WITH THE MODERNIZATION OF THE HIGHER EDUCATION SYSTEM AND INCREASING COMPETITIVE PROCESSES IN THE LABOR MARKET

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**Abstract**— This article describes the processes of economic modernization of the Republic of Uzbekistan, economic trends, the ongoing investment and promising programs. Creating links between the education services market and the labor market, and the importance of competition in this process.

Index Terms — education system, employment, higher education, world standards, modernization, productivity, services, labor market.

# 1. Introduction

ZBEKISTAN'S rapid development faces a number of strategic objectives. Among them, a greater emphasis on education is the key to a country's sustainable economic growth, employment and prosperity.

The Decree of the President of the Republic of Uzbekistan dated April 20, 2017 "On Measures for Further Development of Higher Education" has given an impetus to radical improvement of the sector, radical revision of the system of training in accordance with international standards. [1] At the same time, the program of comprehensive development of the higher education system for 2017-2021 was approved. This program includes the improvement and modernization of the material and technical base of higher education institutions, the provision of educational and scientific laboratories with modern information and communication technologies.

The economic growth and efficiency of market reforms in our country should be closely linked to the further development of the educational services market and its role in addressing the most important socio-economic development challenges of society.

The need to improve economic relations in the education services market is to explore the essence and content of education services. This is because the educational services market is a system for the exchange of educational services. Achieving a market balance between supply and demand for educational services is a key economic condition for the formation and development of the market for educational services. [2]

# 2 LITERATURE REVIEW

By professor Yuldashev N.K. [18], Khakimov Z.A. [16], Tursunov B.O. [12,13,14,17], Krivyakin K.S. [15,16] investigated management and marketing aspects of business, and marketing problems were studied by professor Ergashkhodjaevoy Sh.D. and others [15].

Several researchers have commented on the importance of understanding the activities of educational institutions, the provision of educational services, the exact form of service, what exactly it is as a product. For example, AO Chentsov gives the following definition: "Educational services are based on the labor of scientific and pedagogical activity, which in turn is a kind of scientific activity. The result of scientific and pedagogical activity can be called the product of education. Educational products are part of the intellectual product "[3]. This definition states that educational services are the result of scientific and pedagogical activities aimed at meeting consumer needs. According to M.A. Lukashenka, "the end product of education is the level of education of the individual and the results of interpersonal control in the learning process." [4,5]

From the foregoing, we can say that the product of educational services is the intellectual knowledge used in the service delivery, the one-to-one programs based on the needs of the consumer, and the ultimate skill of the person who uses the service.

The following is a look at what scholars say about education services. A.M. Strijov describes it as "the educational service - the interaction of participants with the educational process and the purpose of meeting the individual educational needs." [6] E.D. According to Lipkina, "the educational service is a certain amount of knowledge, skills, abilities and information used to meet the specific needs of individuals and society for intellectual development and professional skills." [7] S.A. Zaychikova agrees with the above statement that the market for educational services is a system of knowledge-based skills that can be used to meet the needs of people, soci-

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ety and the state. [8]

Scientists from Uzbekistan [9] Describes educational services: "Educational services are educational, managerial, and financial services that meet the needs of an educational institution to train, retrain and upgrade its workforce, and the needs of individuals for career or career change. - as a result of economic activities". By looking at all of the above, we can say that education services are activities that benefit people by meeting their educational needs.

# 3 ANALYSIS AND RESULTS

The following is an analysis of the volume of services provided by our economy for 2010-2018. Of these, education services are on the rise, almost every year. In 2017, it increased by 35.5% compared to 2010.

Higher education institutions of Uzbekistan train highly qualified specialists in all areas of life, including in scientific, economic, technical and a number of specialties. In the course of the training students are taught to solve problems in their chosen fields through the use of modern approaches and technologies in scientific and theoretical and practical ways.

The system of higher education in Uzbekistan consists of two stages:

- 1. The undergraduate is a basic higher education where the basic knowledge and skills are given in different fields. Training period is not less than 4 years. Upon completion of the training program, the State Commission will award a bachelor's degree and an appropriate diploma.
- 2. Master's Degree Deeper fundamental higher education in the chosen specialty is given. The academic year shall be no less than 2 years. Undergraduate degree students are selected through the examination. Graduates are awarded with a master's degree and diploma.

	2009/ 2010	2010/ 2011	2014/ 2015	2015/ 2016	2016/ 2017	<b>2017</b> /	<b>2018</b> /
						2018	2019
Number of higher educa- tional institu- tions - total:	66	65	68	69	70	72	98
Including the number of branches of foreign univer- sities	6	6	7	7	7	7	9
They have students, one thousand peo- ple	286,2	274,5	261,3	264,3	268,3	297,7	360,2
Students in the departments, including:							
daylight	271,9	268,7	261	263,9	267,9	287,5	313
Evening							1,2
correspondence	14,3	5,8	0,3	0,4	0,4	10,2	46

Students of	103	94	84	84	84	93	110
higher educa-							
tion institutions							
per 10,000							
population							
Students en-	60,7	64,1	64,1	63	61,2	63	114,5
rolled in higher							
education insti-							
tutions, thous							
Specialists,	71,8	76,4	67,6	66,3	64,1	67,4	70,3
who graduated							
from higher							
education insti-							
tutions, thou-							
sands							

It is possible to pursue a career in a chosen field of study with a two-level diploma or to continue education in another institution

An international team of experts, jointly with UNESCO and consulting firm DGP Research & Consulting, conducted a comprehensive study of Uzbekistan's education system from January to June 2017. As a result of the research, proposals were made on the need to further improve the integrity of theory and practice, develop a comprehensive mechanism for quality control of education and develop effective cooperation with international higher education institutions.

As part of reforms in higher education in Uzbekistan, cooperation with many international organizations is established. Among them are Erasmus + (European Union Program), JICA (Japan International Cooperation Agency), KOICA (Korea International Cooperation Agency). Within the framework of cooperation with these organizations, teachers and students of Uzbekistan will have the opportunity to study international experience and knowledge.

As part of the program of measures to strengthen the material and technical base of higher education institutions and radically improve the quality of training of highly qualified specialists in 2011-2016, new construction, capital repair and reconstruction works were carried out at 202 facilities of 25 universities.

In Uzbekistan, the World Bank supports a project to further the development of higher education, improve the quality and strengthen its position in the labor market. On April 11, 2017, the World Bank and the Government of Uzbekistan approved a loan agreement for the project "Modernization of Higher Education." The project implementation period is 2017-2022, with oversight from the Ministry of Higher and Secondary Special Education, with technical assistance from the World Bank.

The project will be of interest not only to students, faculty, but also representatives of government agencies involved in education. In addition, the graduates will be better prepared with the skills and skills required by the experts.

"More than half of those interviewed in the interviews with employers indicated that they lacked enough skilled workers," said Hideki Mori, World Bank Country Manager for Uzbekistan.

This project will enhance the capacity of the country in the area of training qualified graduates and conducting high quality research aimed at supporting the economic development of the country. The project will finance the creation and modernization of modern scientific laboratories in universities, professional development of faculty and staff, and alignment of education quality with international standards. The loan was provided by the World Bank's International Association Development Association on preferential terms. The total term is 25 years with a 5-year grace period. The total loan amount is US \$ 50 million.

The market mechanism of regulating the process of introducing educational services is more flexible and effective. The market, in essence, needs to respond quickly to the changing needs of buyers and offer them demanded goods at a given time. However, just like any product, any market has its own characteristics that are reflected in its performance mechanism. In the labor market, there are factors that cause the imbalance of supply and demand. These include unpredictability in the labor market during long-term education, mismanagement of young people, dissatisfaction with initial salaries of graduates and, consequently, joblessness. Thus, there is no effective mechanism for interaction between the education services market and the labor market, when it acts as a direct "customer" of professional education services.

The need to foresee the need for specialists at a particular level and experts in the relevant sectors at the state and regional levels is a very urgent task, and appropriate measures must be taken. Although the end consumer of the "product" of the training process is an employer, the individual employer does not have sufficient resources to independently train the required staff. Of course, the relationship between the labor market and the education services market must be regulated at the state level.

Currently, the relationship between employers and vocational education institutions is strengthened. There are various forms and tools of this interaction: joint scientific and practical conferences and seminars, professional accreditation of training programs, involvement of employers for lectures and seminars, creation of joint innovation centers and base units, and others. However, all this does not lessen the seriousness of the discrepancy between the demand for the workforce and the structure of the supply of labor. Requirements of employers regarding the quality of vocational training of university graduates, lack of practical part in training students; extreme scientific system of educational system; the low level of student design and research, and others, remain relevant.

Table 2. Specialists who have graduated from higher education institutions

	2010/ 2011	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019
The Republic of Uzbekistan	76379	66290	64133	67448	66594
The Republic of Karakalpakstan	4974	3957	3939	4358	4424

Provinces:					
Andijan	4511	3664	4039	4209	4636
Bukhara	4417	3357	3376	3409	3430
Jizzakh	2549	2469	2261	2732	2855
Kashkadarya	3639	2990	3111	3559	3774
Navoi	3088	2166	2097	2197	2268
Namangan	3914	2753	2734	2948	2964
Samarkand	5971	5917	5986	6417	6533
Surkhandarya	1995	1671	1705	1891	1936
Syrdarya	1228	1023	983	986	1014
Tashkent	3604	1837	1797	1745	2590
Fergana	5588	4782	4657	4769	4499
Khorezm	2181	2037	1984	2163	2202
Tashkent	28720	27667	25464	26065	23469

The analysis of educational services consumption is based on the study of the relationship between the education services market and the labor market. In a market economy, the link between the educational services market and the labor market provides the national economy with the necessary and qualified workforce, which ultimately leads to increased labor productivity in various sectors and industries. On the other hand, the presence of demand for specific occupations has a positive effect on the quality of student learning.

According to Yu.Roshchin, TA Razumova, "the labor market is the distribution of labor resources on the basis of market mechanisms and signs that drive labor demand and supply". [10] This means that the number of annual graduates should be proportional to the number of jobs offered in the labor market. The task of higher education institutions is to set quotas based on the supply of the labor market and to train high-quality specialists in the required specialties. According to the table, the majority of graduates in Uzbekistan are in the capital. This may be due to the fact that the majority of higher education institutions are located in Tashkent.

According to K.Abdurahmonov and F.Mamarakhimov, "the labor market is a complex of socio-economic relations related to the sale, purchase and use of the labor force."

Existence of demand in certain specialties leads to an increase in the admission quota in higher education institutions and the accumulation of resources in these areas. As a result, highly qualified specialists are trained in these areas. The relationship between education and the labor market can be evaluated by determining the number of people employed in the economy at the labor exchanges and the number of people with higher education in the labor force. Assessment of the current state of higher education should be based on systematic analysis. Improvement of economic relations is aimed at solving the problem of increasing economic efficiency. The problem of improving the efficiency of the education system is an important and yet insufficiently studied issue. The importance of this problem lies in the growing role of education in the socio-economic development of society. An analysis of the literature shows that the issue of socio-economic efficiency of the education system at the macro

and microeconomic levels, including the functioning of higher education institutions, has not been solved yet. This is due to the complexity of the microeconomic evaluation of educational system performance. The following groups of indicators of evaluation of the effectiveness of the higher education system differ:

- summarizing indicators that reflect the effectiveness of higher education (capacity of higher education institutions, profitability and quality);
- Indicators that describe the relationship between managed and controlled systems (learning process indicators, management systems);
- Indicators describing the management system (structure, process, methods, techniques, personnel and management norms) are the indicators that define the management factors (personal management factors).

Systemic factors, conditions, competitive environment of modernization of higher education system of the Republic of Uzbekistan in the conditions of digital economy internal system (depending on educational institution: encouraging potential, employees with innovative infrastructure development, educational technologies, etc.) and external (normative-legal conditions), tax system, investment climate, labor market, etc.) in developing an innovative strategy for higher education, the stomach. This approach is grounded and has a number of advantages associated with the analysis of the capabilities of the smart and the weak, the evaluation of the external environment and the effective use of the educational potential of the educational institution.

# 4 CONCLUSION

Based on the results of the analysis of internal and external economic relations in the market of educational services, problems in this area are identified. At this stage it is advisable to identify and systematize the factors that impede the development of economic relations in the educational services market. The curricula of universities providing educational services must meet the requirements of the labor market, and students must be fully committed to its development. Manufacturing puts demand for higher education institutions through the labor market and the education services market. Existence of demand allows resources of educational institutions to meet these requirements, which can lead to better quality of student education.

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