

## MARKET PROFILE – Russia

2009

### 1. Introduction

When studying abroad, Russian students are interested in studying at language schools, higher education institutions and, to a lesser extent, at private secondary schools. Those interested in English language programmes do not only wish to improve their English language skills but accomplish language certificates in order to be able to enrol at a higher education institute. There is also high demand for specialist English language courses, such as English for economics, medicine, dentistry, veterinary science and, in particular, law. Those interested in higher education are looking at the full range of academic programmes: bachelor's degree programmes, master's degree programmes, MBAs, and PhDs.

ECONOMIC INDICATORS 2008	RUSSIA
Population	141.8 Million
Population Growth	- 0.4%
GDP per Capita (PPP)	US\$ 15.937
Real GDP Growth	5.6%
Unemployment Rate	6.3%

The economic crisis has hit Russia quite hard. An economic downturn and increase in unemployment rates are expected for 2009 and 2010.

### 2. Local Education System

The Russian education system has gone through a transition period. The main objectives of the reforms were to allow decentralisation of the education system, to develop a new financial mechanism and to give more academic freedom to faculties and students. All secondary schools, institutes and universities until recently have been funded by the State. Now, there are quite a number of private fee-paying secondary schools and higher education institutions.

Basic compulsory school education lasts for nine years. Graduates from this level may continue to either upper secondary school for 2 years and go to a higher education institute for 4 to 6 years. There is a constant demand for English language teachers in specialised fields, as well as in secondary schools, upper secondary schools and also kindergartens. Most schools have specialties and children attend according to their special interests and abilities. The school day ends at 2pm. Students go on to optional classes (electives) afterwards that end at around 6pm. Examples of optional class types include astronomy, zoology, crafts, environment, and anatomy. Russian students officially start taking English in grade five. By then they have already studied one or two other languages, usually German or French.

The academic year goes from Sept 1 to end of June everywhere in Russia, with long summer vacations from July 1st to August 31.

Higher education is provided by public and non-public accredited higher education institutions. Education in public higher education institutions is not completely free of charge. Approximately one-third of the students pay for their studies. In non-State higher education institutions all students must pay tuition fees.

Higher education is under the jurisdiction of the Ministry of Education of the Russian Federation, which is responsible for the accreditation and licensing of higher education institutions and for developing and maintaining State Educational Standards.

The equivalent of a bachelor's degree is 4 years of study. Most students continue with a master's degree of 2 years of study. About 28% of Russian students earn the equivalent of a bachelor's degree; more than 50% of adults have completed some form of post-secondary education, including technical and vocational.

Most popular studies at university involve technologies, public administration, and finance. Technical/scientific universities play the biggest part in tertiary education in Russia closely followed by pedagogical institutions. Private institutions offer degrees in non-engineering fields such as business management, economics, law, culture and sociology.

### ***3.1 Undergraduate & Postgraduate Courses***

Russia's top universities have very rigorous entry requirements, and special entry exams are held each year. Students with Russian citizenship, regardless of residency outside Russia, must apply according to the standard competitive system and directly with a faculty admissions office. Applicants for advanced degrees (MA/MSc, PhD, DSc) should have their prior degree in the same or a very similar field. This is a stricter requirement than in some other countries.

Business education is a rapidly developing industry in Russia. In 1999, the MBA programme was standardised by the Russian Ministry of Education and now business schools provide a national standard MBA degree. Many business schools have joint programmes with western business schools and issue Russian and western diplomas.

Opportunities exist for New Zealand business education providers to offer MBA programmes to Russian students in New Zealand. Russians interested in getting an MBA degree have the following options:

- Apply for an MBA programme abroad
- Enrol in a joint Russian-Western MBA programme
- Attend a Russian business school with a Russian-standard MBA

Russian business schools offer various forms of education, including part-time, professional, modular, or long distance, but the quality offered is not competitive. Russian business programmes are able to provide theory but limited practical skills. Partnership with Russian business schools may help with recruitment of Russian MBA students to New Zealand universities.

Moscow, St Petersburg and other large cities have a relatively developed industry of short-term business education, but many Russian cities, especially in the Russian Far East, suffer a deficit of good training programmes. The Russian Far East market for short-term business education is dominated by foreign government-sponsored business training and exchange programmes, such as the Business to Russia programme by International Research & Exchanges Board (IREX), and other organisations such as the Chamber of Commerce and Industry (CCI), the Special American Business Internship Training (SABIT), American Russian Center, Winrock International and the Japanese Center. Their programmes are usually the only sources of business education in such remote areas as Magadan, Kamchatka and Yakutsk.

There are government funded scholarships available for undergraduate and post-graduate programmes at foreign higher education institutions. A few Russian companies are also providing scholarships for Russian students to study abroad in a specific field of study. However, most scholarships are provided for studies within European countries.

### ***3.2 Vocational & Technical Qualifications***

Russian vocational and technical education is well known for its wide coverage of specialisations and its relevance to employment. This relevance, however, can be described as 'artificial', because it was established within a tradition of central economic planning and centralised job placement. It was assumed that everyone should be equipped with job-specific skills before entering the labour force. This assumption led to the development of a huge vocational training system.

Short-term business training courses: these are especially popular among small-and medium-sized companies. The main tendency in this niche sector is a shift from general business training to speciality training such as merchandising of cosmetics or business-to-business sales. Knowledge of Russian market specifics is mandatory. The most popular business seminars in Russia are sales and marketing (about 80% of total training sessions), human resource management, finance management, management, and negotiation techniques. Market demand is expected to significantly increase in coming years for courses addressing international accounting standards and international certification.

Corporate programmes: some large Russian companies are not interested in general business educational programmes, but rather request universities and consulting companies to develop industry-specific or even company-specific cases and tasks for students. The annual growth rate of corporate educational programmes in Russia is 10 percent.

Training for trainers and professors of business schools: while several courses for training trainers are available in Moscow, they all focus on methodology and practical training techniques. There is scope here to diversify offerings.

### ***3.3 Secondary Schools***

Exchanges with private and public secondary schools would increase awareness of New Zealand as a potential destination for education.

### ***3.4 English Language***

The market at the moment is coming close to saturation, as many other countries are now fully established in the market. However, it still is a promising sector for English language providers, especially if they provide specific courses. Exhibiting at trade fairs will put New Zealand education providers in touch with potential students and signals support of local education agents.

## **4. General Advice for NZ Providers**

In 2008/2009 there were 928 New Zealand student visas and permits issued to Russian citizens for study purposes; this is a 10% increase on 07/08. A considerable number of these, however, were issued onshore (in New Zealand). Of the total 928 visas and permits, 576 were issued to full-fee paying students, and 204 were issued for English language studies in NZ. 393 Russian tertiary students were enrolled in higher education in NZ.

Russian students generally study in New Zealand for 4 weeks to 3 years depending on the type of studies. The majority of Russian students study at NZ tertiary institutions for 1 to 3 years. Students who study at English Language Schools and Secondary Schools usually stay for 4 weeks to 1 year and want to continue to higher education in New Zealand, mostly at universities and ITPs. 24% of the current cohort is enrolled at private tertiary training providers. Study and work for residency is becoming more popular due to attractive immigration policies.

The majority of the Russian students studying in New Zealand come from the Russian Far East and Siberia. The make-up of students from Russia is expected to move towards students inquiring for full tertiary education rather than shorter-term English language studies. Courses most popular among Russian students in New Zealand are hospitality, business and computing.

NZTE covers West Russia from its Hamburg office and the Russian Far East from Seoul, working closely with the New Zealand Embassy in Moscow and, in the case of Seoul, the office of New Zealand's Honorary Consul in Vladivostok.

## 5. Competition

About 35,000 Russian students are studying abroad. Approximately 50% choose to study in the UK, 15% in the USA, 20% in Continental Europe and 6% in Canada and Australia.

The choice of destination is primarily based on future job perspectives, followed by the quality of education, costs of study and living, history & culture and the climate of the country.

Forms of study include courses at tertiary providers, school stays, short-term visits for professionals or language practice, research and professional upgrading. Popular courses for Russian students abroad are architecture, business, design, hospitality, IT and law.

Trade fairs are being targeted by individual countries. The UK, USA, Canada and Australia hold their own education fairs in co-operation with local education agents.

## 6. Helpful Hints

- The education system is undergoing a period of change and decentralisation. Boarding schools and single-sex schools cater for only a small percentage of students in Russia, but there has been an increase in the number of private institutions at both a secondary and university level.
- You will find that families make any decisions about studying abroad together, as parents generally fund the study. Families will engage local agents to find out about the quality and nature of international study programmes. However, the amount of direct contact expected between the parents and the school is generally limited. Also, since students from Russia tend to be over 17, and many are adults, this can limit family involvement.
- The most popular areas for international study have traditionally been shorter English language courses, but there is now a move towards full tertiary education, especially in hospitality, business and computing. Vocationally targeted language courses are also becoming popular, such as legal English or English for economics.
- Russians have a formal side as well as a more relaxed side. While they are often reserved, and may consider speaking or laughing loudly as rude, they are also extremely hospitable. You may well be invited to have a drink or to join in a toast, and you should participate. Russians have a lot to toast, their economy is now among the world's fastest growing consumer markets.
- Patience is a virtue in Russia. You may find during meetings and negotiations that you require patience when your own punctuality is not reciprocated, or when your hosts take a great deal of time with discussions. Also, be aware that apparent ultimatums do not actually signal the end of negotiations – often the outcome will be more beneficial if you can hang in there. Do not be put off if there are walkouts or outbursts of anger during meetings.
- It is best not to arrive empty handed in Russia. For one, you should be sure to have plenty of business cards with one side printed in Russian. In addition, the giving of gifts can be an important way of cementing relations with locals without whose help succeeding in the Russian market is very difficult.

For the latest travel advice visit [www.safetravel.govt.nz](http://www.safetravel.govt.nz)

## 7. Public Holidays

### Public Holidays 2009

New Year's Day	1 January
2 <sup>nd</sup> day of New Year	2 January
Orthodox Christmas Day <sup>1</sup>	7 January
Orthodox New Year <sup>1</sup>	14 January
Defenders of the Motherland Day	23 February
International Women's Day	8 March
Orthodox Easter	19 April
International Labour Day	1 May
Victory Day (World War II)	9 May
Independence Day	12 June
Day of Accord and Reconciliation (formerly Great October Socialist Revolution Anniversary) <sup>1</sup>	7 November
Constitution Day <sup>1</sup>	12 December

<sup>1</sup> May only be observed by the local community

## 8. When to Visit

The best times of year to visit Russia is February to June, and September to November.