Summary: Review and Barometer 2020 of the Field of Education and Research

The publication consists of two parts: a barometer and a field review. The field review has compiled some highlights from various statistics. The highlights are mainly from statistics compiled by Statistics Finland (http://www.tilastokeskus.fi/) and the OECD (https://stats.oecd.org/).

THE KEY RESULTS OF THE BAROMETER

The development of the general outlook over the past 12 months is considered to be weakening. Expectations of the general outlook for the next 12 months continue to weaken. Estimates in both cases are weaker than a year ago. The changes in the operating environment and activities caused by the corona epidemic are reflected throughout in the barometer.

The economy

Taken as a whole, funding is perceived to have decreased. More people believe that funding has increased rather than decreased only in general education and universities of applied sciences. There has been an overall increase in public funding, but an overall decrease in other funding.

Expectations in terms of total funding are still decreasing or remain the same, with the exception of universities of applied sciences. A year ago, expectations were growing. About half of the respondents estimate that public funding will remain unchanged, but there are more people expecting a decrease than those expecting an increase in all forms of education, excluding general education and universities of applied sciences. In other financing, a decrease is expected throughout with the exception of institutions of higher learning.

Of the respondents, 42 per cent have had a recent financial statement in surplus, 30 per cent in balance and 28 per cent in deficit. As a whole, the balance has improved in the latest financial statement compared to the previous one. There is a little more pessimism concerning the balance of the current financial year. Twenty-nine per cent of respondents expect the surplus to increase or the deficit to decrease instead of the actual 34%. The percentage of those expecting an increase in the deficit or a decrease in the surplus is 25 per cent instead of the actual 26 per cent.

Personnel

Just over a quarter of respondents report an increase in their staff over the past 12 months and 16 per cent reported a decrease. There has been growth in both personnel groups. Expectations for staff growth over the next 12 months are lower than the actual figures for the past 12 months.

More than 30 per cent of the respondents have had to carry out layoffs and 3 per cent have had to carry out redundancies as a result of the coronavirus epidemic. During the next half year 16 per cent of the respondents estimate that they will have to carry out layoffs and 3 per cent estimate that they will have to resort to redundancies due to corona.

Available study places and student numbers

Less than 40 per cent of all respondents see that there has been a need for an increase in the number of study places for their form of education over the past 12 months, and less than half see the need for study places also to increase over the next 12 months. Just over half have felt that the need for study places has remained the same and will continue to remain the same. The desire and readiness to add study places is more common than the need to do so.   Nearly 80 percent of respondents are willing to increase study places, with the rest maintaining the current number of study places.

In almost one sixth of the educational institutions the number of students has decreased rather than increased over the past 12 months. The number of students has decreased in more than 40 percent of educational institutions. Over the next 12 months, an increase in the number of students and the number remaining unchanged will be more common than a decrease (in the majority of educational institutions). The number of international students has decreased and the number is not expected to increase.

In addition to the themes mentioned above, the barometer has inquired about the situation of the recent past and future regarding co-operation with other education and research organizations as well as companies and other working life, recruitment problems, investment and education exports. In connection with the corona situation, questions have been asked about applying for public subsidies and the amount of distance teaching.

The barometer material has been compiled on a form from private training providers. Each organization has received one link. A representative of the organizers has been asked to evaluate actual and future developments (positive, no change, negative) for certain criteria. The balance figure is formed by subtracting the share of negative assessments from the share of positive assessments. Thus, the balance figure tells the percentage point difference between positive assessments and negative ones. This time, responses were received from 101 private training providers (less than a third) at the end of October.

KEY FINDINGS OF THE FIELD REVIEW

At the end of 2019, there were 704 education providers in operation, with 3,177 educational institutions. Education employed 187,000 people, corresponding to 7.3 per cent of the employed. Private education providers employ about a third of the teaching staff.

Today, public investment in education is about 5.5 per cent of GDP and about 10 per cent of total public finances. As an estimate based on statistics, it can be said that almost 2.5 million Finns participate in education each year as degree and adult students. If the education provided by others and the more informal forms of study are taken into account, such as individual lectures, more than half of Finns are educated every year.

In 2018, less than one per cent of those who finished comprehensive school did not apply immediately for further education. Six per cent did not continue in degree-oriented education. 82 per cent of secondary school graduates applied for a postgraduate place. However, 70 percent did not continue in degree education the year they graduated from secondary school. In the 2017/2018 academic year, 5.4 per cent of students dropped out of school and did not immediately resume degree-oriented education.

At the end of 2019, 3,435,387 people, or 74 per cent of the population aged 15 and over had completed a degree after comprehensive school. The share of graduates increased by one percentage point compared to the previous year. The participation of 25–64-year-olds in education in Finland is the highest in Europe: Twenty-nine per cent of adults of that age participated in education in the four weeks prior to the study in 2019.

Research spending by institutions of higher learning has more than doubled since the turn of the millennium. Development slowed in 2010–2016, but began to grow again in 2017. In 2019, research expenditure by institutions of higher learning was EUR 1.7 billion. Of this funding, state budget funding accounted for 46 per cent and other external funding for 52 per cent.

Overall, research and development expenses were EUR 6.7 billion in 2019. The ratio of research and development expenditure to GDP was 2.8 per cent. In 2019, a total of 76,200 people worked in R&D positions, 40 per cent of whom worked in the higher education sector. In total, more than 60 per cent of companies employing at least 10 people carried out innovation activities in 2016–2018.

The industry review highlights the latest statistical information, e.g. education providers, funding and personnel, students, access to studies, study progress, level of education, employment and research and development. Three recent studies in the field of education and research concerning participation in adult education, among others, are also highlighted.