

Republic of Estonia

Demographics for Republic of Estonia

Population:	1,332,893 (July 2005 est.)
GDP (by PPP method):	US\$19.23 billion
Currency (inc code):	Estonian kroon (EEK)
Language(s):	Estonian (official), Russian, others
Internet country code:	.ee

Elementary and secondary education

In Estonia, all children who attain seven years of age by October 1, start nine years of basic education, (1st to 9th grade), which they typically complete at the age of 15-16. Education in state and municipal schools is free. After completion of this compulsory basic education, or on reaching the age of 17 students can then leave school. Most students however continue their education for a further three years, from grades 10 to 12, in upper secondary education. This can be at a high school, which provides an academic preparation for higher education; in a vocational school, for a technical career; or a professional school for such careers as secretarial studies, hairdressing, etc.

During basic education, students must study all subjects, leading to state examinations. In upper secondary education, they follow a general curriculum which has specializations in such areas as languages, economics, natural sciences and mathematics, and music. In an upper secondary school, the provision of education includes daytime-, evening- and distance-learning courses. Students can finish their schooling as an external pupil. No tuition is charged for studying in state and municipal schools of upper secondary education. The lowest permissible weekly study load of pupils at the upper secondary school level is 32 lessons.

The Ministry of Education is responsible for the oversight of schools and national curricula, whether the school is state run or private. In the academic year 2002-2003, 165,486 pupils were studying in basic education, 76 percent in Estonian-speaking schools, 24 percent in Russian-speaking schools and a few individuals in Finnish-speaking classes. Of pupils, 1.9 percent attended private schools. A total of 34,992 pupils were studying at the upper secondary level, 67 percent of whom were Estonian-speaking and 33 percent of whom were Russian-speaking.

Higher education

There are six public universities and five private in Estonia. In addition, there are ten university colleges. These are based in the larger towns and some regions of Estonia, but are variously affiliated to the public universities Tartu, Tallinn University of Technology and Tallinn University.

Vocational education institutions offer secondary vocational education after basic school or upper secondary school. As of September 1, 2004, there were 68 vocational education institutions in Estonia, 47 of them state run, 18 private and three municipal schools. They provided places in the academic year 2004-2005 for 27,864 students.

Those institutions providing professional education comprise so-called professional and applied professional schools. They include such specialised schools as the Estonian Maritime Academy, the Defence School, the Public Service Academy of Estonia (for police, customs and border guards), the Tartu Aviation College, and the Estonian School of Hotel and Tourism Management.

Until 2002, Estonia had a more Germanic system of granting degrees, with a four-year Bachelor's degree and a two-year Master's program. In 2002, the whole Estonian education system adopted the post-Bologna model of three-year Bachelor's degrees and two-year Master's. The first graduates of the three-year Bachelor's program graduated in the summer of 2005, and it remains to be seen how many will go on to Master's education.

At the same time, degree titles were standardized: Bachelor of Arts (BA) degrees were awarded in education, humanities, social sciences (including business studies). Bachelor of Science (BSc) degrees were awarded in natural sciences, engineering, agriculture and health sciences. At Master's level there are three designated degrees: Master of Arts (MA) in education, arts, humanities, social sciences (including business studies), theology and law. Master of Science (MSc) degrees are awarded in natural sciences, engineering, agriculture, architecture and health sciences. In addition, there is the Master in Business Administration (MBA). Finally, there are the professional Degrees in Medicine (MD), Dentistry (DD), MSc in Pharmacy and Degree in Veterinary Medicine (DVM).

Entrance to university is on the basis of state examinations, supplemented according to the university by interviews and appropriate special tests.

University level education, whether public or private is accredited by the state. Two years after the introduction of a new program, the university must apply for government accreditation. This can be granted for seven years, or, if conditional, for three.

Structure of business and management education

Management education in Estonia is a recent phenomenon, the oldest, and only university level exclusively business school, Estonian Business School, having been founded only in 1989. Currently, in addition to the degree courses offered by the Estonian Business School, business studies are offered in the economics faculty of two public universities, Tartu University and Tallinn University of Technology, and in the business departments of two private universities, Audentes and EuroUniversity.

All these institutions offer three-year Bachelor of Business Administration (BBA) degrees, and two-year Master of Arts[1] in business studies. Since 2005 will see the opening of the first two-year MSc programs, following the post-Bologna model, it is difficult to describe accurately the curricula and structure of the programs. They are generally revised versions of the earlier two-year Master's which have been phased out since 2002, including core courses and majors in specific areas such as marketing, finance and accounting, and management. The Master's degree is awarded after defense of a final thesis, or by examination.

In addition, Estonian Business School, Tartu University and Tallinn University of Technology offer a four-year PhD program.

Four institutions, Tallinn University of Technology, Tartu University, Audentes and Estonian Business School, also offer an MBA. However, it should be noted that here, too, there is some confusion as to the designation of this degree. Where it is widely accepted elsewhere in Western Europe and North America that an MBA is a post-experience degree, in Estonia this distinction is not always made, nor, indeed, possible. Given that business students very often work at least part-time during their studies, whether at Bachelor's or Master's levels, it is difficult to calculate how much work experience to ascribe to the individual course participant. All these programs are part-time, offered in the evening.

It must be said also that companies do not distinguish between MBA and MSc degrees offered by Estonian universities when recruiting their managers.

In the Estonian context, the Executive MBA is not an academic degree. Only the Estonian Business School and Tartu University offer this qualification, which is provided by the Executive Education centers of the two universities. Participants tend to be the same age as Master's students, owing to the peculiar situation of the Baltic States, where full-time education in business studies has not been the norm. Many participants would be creators and CEOs of small businesses, who combine their everyday work with modular studies.

Students

Estonia is a small country with 1.4 million inhabitants. Of these, 400,000 are Russian-speakers. Until recently, university studies had, by law, to be provided in Estonian. In later years, business schools introduced courses taught in English, in order to provide the international elements which are needed in a country of this size. Now, even some general courses in English are being introduced in the public universities. Last year, Estonian Business School was able to introduce Bachelor's and Master's studies taught in Russian.

Currently, some 5,771 students nationwide are enrolled in BBA programs and 2,563 in MSc programs in business. Interest in business programs is growing, and this population now represents 16 percent of the students who continue into higher education. Altogether 40 percent of all Estonian high school graduates choose to pursue higher education after completing their basic and upper secondary studies.

Faculty

As a former Republic of the Soviet Union, Estonia has a somewhat unusual situation with regard to teachers of business studies. Many of them are very young, under 40 years of age, since these are faculty members who graduated after 1991. In addition, there is a group of professors in the more technical disciplines, such as statistics, economics, IT, who hold Doctorates from Russian-era universities. In some areas such as marketing, finance and entrepreneurship, there is a generational gap, where earlier studies are inappropriate for current academic institutions, and younger faculty members are still finishing their PhDs in their chosen discipline.

It is, therefore, extremely common for schools to employ as part-time professors professionals from companies, or for a teacher under contract to one business school to be permitted by his or her home institution to teach some courses at another university. The latter practice is becoming more restricted, owing to considerations of competition, but is still widely accepted.

Once a teacher has received his or her PhD, it normally takes an average of five years to achieve "habilitation", and receive tenure.

Accreditation

To date, only one of the university business schools, Estonian Business School, is accredited by an international body, the Central and Eastern European Management Development Network (CEEMAN).

Financial structure

Public education in Estonia is, in principle, free. It is therefore a relatively new phenomenon for students to pay for university level education. Even a private university, however, can benefit from state support for some students.

At the present time, there is a total of 400 completely free places in Estonian business studies departments:

- Number of institutions with undergraduate business degree programs: 5.
- Number of institutions with business Master's degree programs: 5.
- Number of institutions with business doctoral degree programs: 3.

Issues facing business schools

The most obvious problem facing business schools in Estonia, and university education in general, is the demographic collapse forecast to hit the whole of Europe. In the Baltic States, due to the peculiar circumstances governing the past 100 years, the crisis is particularly acute.

In Estonia, the total population is forecast to drop from today's 1.4 million inhabitants to 1.1 million by 2010 and below 1 million people in 2020.

This naturally entails a complete rethink of education policy for the next few years.

The maintenance of the Estonian language is, naturally, under threat, given the difficulty of the language. A member of the Finno-Ugrian group, Estonian is only related to Finnish (fairly closely) and Hungarian (very distantly). English is therefore widely spoken and business school programs are increasingly offered in English. Besides the obvious advantage for Estonian graduates, who are often fluent in English, Russian and German, in addition to their native tongue, there is, however, the wish of a nation to keep its specific cultural differences. The language question does pose problems for companies wishing to set up business in Estonia, as it is difficult for non-native speakers to function efficiently in Estonian.

Another concomitant problem is the policy of the Ministry of Foreign Affairs and the immigration authorities. For non-EU citizens it is becoming difficult to obtain a visa or a work permit to find employment in Estonia. Foreign students in international business programs, therefore, find it difficult, if not impossible, to obtain employment in Estonia, except in companies where English has become the operating language, such as some of the foreign-owned banks.

The debate about public versus private education is still very pertinent to business schools. Although students at public universities also have to pay a certain percentage of fees, the perception is that public universities are free and somehow academically to be preferred. There is also a problem about students and their families financing higher education, in a society where this is not yet generally accepted.

On the same question of money, student mobility is not yet easily achievable. Even the most international of Estonian business schools have difficulty in assisting students to participate in overseas exchange programs. Whilst there are EU funds available to finance their travel, accommodation in

Western European cities is often prohibitively expensive for the average Estonian student.

Another challenge for business schools in Estonia, as in other countries, is to increase the number of PhDs teaching in their institutions. The lack of qualified faculty is acute. Internationalization is also a constant where faculty development is concerned, whether it is the recruitment of international teachers, the participation of Estonian teachers in international research networks, or the recognition of Estonian research in international academic journals.

Finally, one important future consideration for university level business schools in Estonia must be international recognition and accreditation.

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Note

1. The use of MA for the Master in Business Studies is confusing, and Estonian Business School is leading an initiative to convince the Ministry of Education of the wisdom of adopting the English form MSc, in line with the guidelines issued by EQUAL.