

# Talent in the Professional Practice

## The Hungarian higher education with a practice based approach, the example of the University of Pécs

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### *Abstract*

*The study presents a research carried out among the students of Hungary's one of the most successful university faculties, at the University of Pécs Faculty of Business and Economics (PTE KTK). The aim of the study is to highlight the expectations of employers and students regarding professional practice. Our results show that the employers do not focus on creativity. By employing a new staff member fast integration, adaptation, diligent and precise work becomes important. Primarily employers want to hire such appropriate person who fits into their own corporate culture. The PTE KTK students have developed emotional intelligence, which allows for better integration.*

*After presenting the results of empirical research we give a brief overview of the Hungarian and Romanian situation of higher education on the basis of criteria for the European Higher Education Area and the Bologna process. Subsequently, we formulate our recommendations, which are primarily based on the experience of professional practice. The system of professional practice serves as a highly effective feedback, and this shows the removal of the conventional belief. Secondly, there is a demand for bipolar system of knowledge and skill-application (that manifested in competence-principle).*

**Keywords:** Professional practice, talent management, career management, labor market, requirements, skills of students.

**JEL classification:** I21, J24

### **Introduction**

The study presents a research carried out among students of Hungary's one of the most successful university faculties University of Pécs Faculty of Business and Economics (PTE KTK).

The most important aspect is that, how the skills of students are able to meet the needs of corporate and labor market. Our conclusion is that the employers are not

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expected to focus on creativity. By application of a new staff member is more important the fast integration, adaptation, diligent and precise work. On this basis it is formulated that the key to success for the students in the labor market is matching the needs of corporation. If the personality and competence of the entrant is similar to characteristics of the optimal worker formed by the employers they prefer to employ. We can imagine this relationship as a balance, where one of the pan with the business expectations are on the other students' competencies of the job candidate. Cooperation will be successful if the two-pan balance: it is not good if an entrant want to find a job with too many powerful features and it is not good if he does not have enough skills for that job.

The results of our research shows that the employers want to apply primarily appropriate staff in own corporate culture. (Nunes, & Breene, 2011) The PTE KTK students have developed emotional intelligence (EQ), it allows for better integration.

The concept of EQ includes the own thoughts, feelings and knowledge and its use to manage their own behavior. (Neale, 2010) The four components of EQ: emotional literacy (knowledge of their own emotions and functioning), physical fitness (endurance, flexibility), depth (intensity, emotion differentiation), and alchemy (the emotions of the creative use). (Cooper & Sawaf, 1996)

The study also aims to illustrate the current situation of higher education in Hungarian and the factors affecting the competitiveness of the education example of PTE KTK. Within this we focus on the relationship between higher education institutions and labor market. We examined the transition of students in the labor market. Linked to this is the present of the talent management approach of PTE KTK. The empirical analysis used data are provided by results of questionnaires students and companies filled out during professional practice. Further, we are targeting to examine focusing the specific processes embedded in the European Higher Education Area and the Bologna process.

Currently the internal structure of the labor market has changed seriously. It is very difficult for professionals to find a job which is adequate for their qualification. Therefore on the one hand our study is about the structure of the national labor market. On the other hand the study discusses the appropriate helping services for graduate and under-graduate students. Due to the high unemployment rate of professionals, career consulting increasingly has come to the front, because it could help people to get over the difficulties, which come from entering the labor market. An empirical research made by University of Pécs Faculty of Business and Economics, reports that it is very important for students to get professional practice because expertise is not enough and not so relevant as previously. Our objectives are to present the general expectations and demands of graduate students and employers in our region.

### **1. Professional practice – The success of the students in the labor market**

University of Pécs Faculty of Business and Economics (PTE KTK) considers an important task the comprehensive understanding of the connections of students in the labor market. Accordingly, it carried out researches of the characteristics of

internship work during the professional practice, and it collects the experiences of the alumni organization, the social-senate, training, teaching (guest speakers), career days, business projects, case study competitions, student academic conferences, scholarships, too. The significance of that we can draw a conclusion from the labor market for the integration of students' and employers' expectations. It should be noted that many students after graduation were applied at the company, which previously works as trainee.

## **2. The practice of talent development on the PTE KTK**

The talent development is a broader notion as the professional practice, which means that among the "PTE KTK methods" (student academic conference, college, local and foreign scholarships, case study competitions etc.) can be mentioned the optional internship of the MA (Master of Business Administration) students. The reason of that, any methods can be considered as a talent development method, which would improve talent promises. Because of the professional practices requires the application of theoretical knowledge in practice in sharp work situations, including skills development, self-knowledge, expansion of theoretical-practical knowledge, and this is the fundamental aim of talent development. (Munkácsy, 2004) However the importance of professional practice should be noted, because it is obligatory for some courses according to the Hungarian qualification requirements (Act CXXXIX of 2005). Among the above listed methods only the professional practice is applied for the binding.

The aim of this study to present fresh graduates' chances of finding a job; in the most characteristic phase in the period of preparation to begin one's career, which lasts until the age of 25. During these years one should create a self-image through various formal and informal relationships. This is when people consider their skills, values, motivations and ambitions, decide what profession to choose and prepare for successful placement. Also, this is the period when graduates acquire the essential theoretical basis and get professional practice and connections which can help them in preparing for a successful career. They have to build connections, attend job fairs and get to know companies. Professional practice has to appear at this time too. It counts a lot among the expectations of the company, as it expresses how can the candidates stand in the gap in the new business environment and how much do they know the organizational culture. This is part of their hidden knowledge and will come forward during the process of socialization. Thus professional practice has great importance even if employers do not pay as students gain social capital, experience and references for a future appliance. Students do not always have the opportunity to complete professional experiences at the university; this causes the need for professional practice. During the period of professional practice students meet with responsibility and get to know the organizational processes.

### **3. Research among students with completed professional practice**

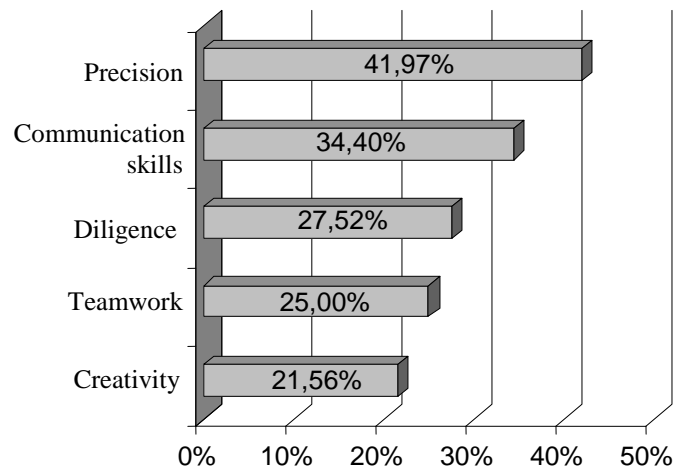
An important task of PTE KTK was to offer internship opportunities for the students of the Faculty throughout the year, so that the relationship strengthen between the students and business sphere. The organization of professional practice, a complete quality assurance and documentation were carried out by certain departments of the Faculty (Relations Directorate, Career Consulting Office (KTI)).

An increasing number of students strive to complete professional practice during their university years. They get a review about the working of a company, about expectations and about the specialty that is still worth to learn about. The University of Pécs Faculty of Business and Economics made a decision a year ago that the fourth- and fifth-year students attending day-school can complete professional practice as a subject. There is a Career Office at the university the goal of which is to recommend more and more professional practices to the students. Graduates are asked to fill a questionnaire about their abilities and skills and about the experience they gained during their practice. We also ask employers to fill a questionnaire on the mentioned aptitudes of the students. Our objective was to discover the similarities and differences between the expectations of the two parties.

In this study thanks to this system our sample is complete. From the undivided education we have total 1389 pieces of questionnaire (from 463 students and 3 questionnaire pro capita: before and after the practice and companies) from the autumn of 2005 to spring 2010. It constitutes the base of our empirical research. This was complemented last year by 333 questionnaires under the Bologna bachelor education (obligatory professional practice). The experiences of this was built into the existing database. As a result of our research we surveyed the preferences of students and companies related to professional practice. We believe that henceforward it would be important to ensure the mediation of credits worth work experience opportunities for MA students. For these tasks we need to employ a professor and a full-time administrator. The following the most important experiences of these researches are summarized.

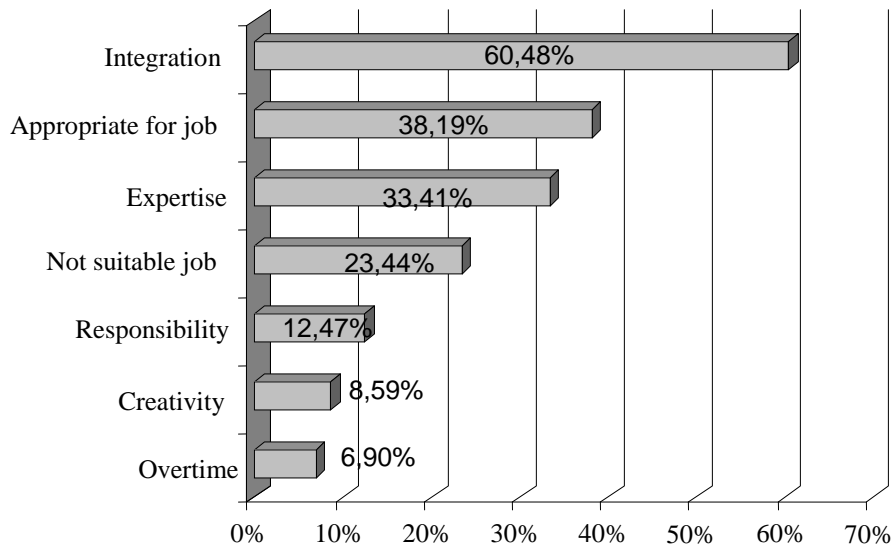
### **4. The experiences of the optional professional practice (related to the undivided education)**

As a result of our research we surveyed the preferences of students and companies related to professional practice. By the exploration of students' prior expectations related to professional practice we establish that the students primarily think the precision as the basic competence for the successful internship. Followed by communication skills, and third place in the nearly same level of teamwork, diligence and creativity as well. The following chart displays the details.



**Figure 1 The most important skills for performance of the trainee's work according to the students before the internship (proportion of mentions, %, N=463)**  
*Source: Authors' research*

Before the internship the students declared even their fears, so based on these they are afraid most of the integration and conformity, this characteristic is underlined clearly by them. Moreover they also feared that they can not meet the expectations of employers, and their expertise learned in college will not be enough. Nearly a quarter of the students also feared the job will not be appropriate for them, so they can not deal with such work, what they can do. The following chart shows the percentage breakdowns.



**Figure 2: The students' fears before the internship (proportion of mentions, %, N=463)**  
*Source: Authors' research*

Analyzing the students' fears if we break the summarized results to years it can be noticed that the sort among single fears of the past five years is stable.

Not only employers but also the students formulated their own expectations in connection with the professional practice. The students' opinion is on first place in the rank that during the internship especially they want to try to practice the theoretical knowledge acquired in university, and they would like to apply them. It is very important that half of the students want to know the organization, its work processes and specialty represented by the organization. In addition to applying existing knowledge they would like to collect other practical skills. It is important for them to collect work experiences, and more than a quarter of the students underlined that there are many future opportunities in the professional practice. That means the relations with colleagues established in work at the company, and means valuing of these in the future. As well as the students can see an opportunity that after the completed internship they can get a job at the company.

After practice completed questionnaires show that students' prior expectations came true to a great extent, and the earlier fears were groundless. Most students had the opportunity to understand the organization, work processes and thus they came to know the specifics in the relevant area (for example financial, logistics, accounting specifics etc.).

The practical application of skills and knowledge is in the first place among the expectations. This characteristic achieved 40% rate in the mentions within the examined statistical population, and the conclusion reached about same level that the students are fully able to fit into one of the staff (integration). In addition, the students also experienced skill-development, and they could work together with colleagues very well.

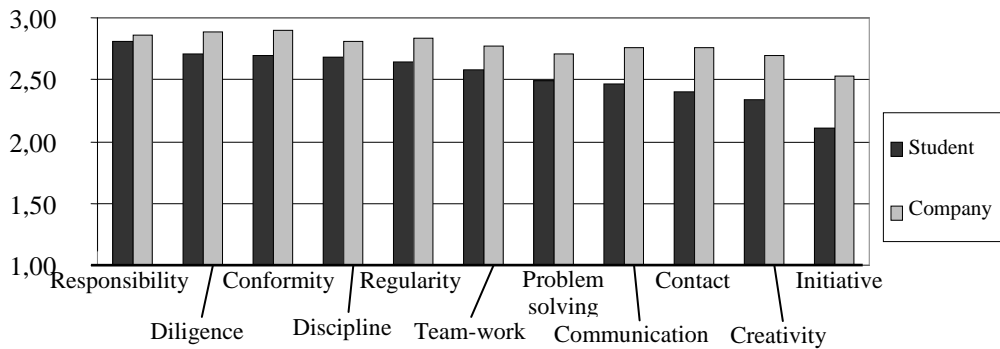
From employers' perspective the students were characterized by accuracy in most cases, which reflects the students' appraisal of the competencies required for work before the internship. Diligence as a typical student property is the second on the list. About the same level was reached by interest, confidence, good attitude, cooperation, creativity and communication skills among the criteria of the companies.

The opinions manifested by companies cover not only students but also the work done by students. Based on the context of our analysis we established that the students of PTE KTK have the speciality: their emotional intelligence is better than average, namely they can be easily integrated into the community, are cooperative, and show empathy. Also they were reliable, worked usefully and they are characterized by diligence, independence, expertise.

The companies' feedback is clearly positive, according to them the students perform their tasks reliably and their work was really useful. Approximately diligent work, integration, independent tasks and the good cooperation stand on the same level. Negative opinions of the majority of cases are not framed in the corporate respondents, but rather praised the work of trainees.

The evaluation of students was completed by the companies on the basis of pre-defined skills, which the students also conducted their own self-assessment

exercise. A comparison of two ranking presents in the following figure in descending order of the student-evaluation (Figure 3).



*Explanation:* From 1 to 3 scale, where  
 1 = unsatisfactory  
 2 = adequate  
 3 = very good

**Figure 3: Comparison of student and corporate ratings (N=463)**

*Source:* Authors' research

From the figure it is clear that the students underestimated their each skill in relation to the companies' assessments. That shows the relationship of students' self-image to external evaluators' perceptions. The hierarchy set up by the two parties, i. e. the sequence of skills is similar. The responsibility, diligence and the adaptation has received the best assessment both student and corporate side. Analyzing the relationship between the capital and countryside an important question is raised: what methods can help to teach the students in Pécs for successful appearances, for the appreciative attention using the emotional intelligence and for self-presentation on the labor market.

## 5. The Hungarian higher education in the European Higher Education Area

The main aim of the Bologna Process is the development of European Higher Education Area (EHEA), and the following sub-objectives linked to this: easily understandable and comparable education system, cascading training cycle, credit system creation, supporting mobility, European cooperation in quality assurance, supporting the European dimension of higher education. (Szolár, 2009; Polónyi, 2010)

The objectives of the Bologna Process were agreed in 1999, and in 2009 followed the evaluations. On this bases it can be argued that all participating countries has created the basic conditions of the higher education reform, and the

process was successful in this context. The countries introduced the changes applying several methods and different depths, and still many open questions have to be resolved in the planning stage to 2020.

Hungarian higher education has been considerably transformed in the last few years, which can be seen from the number of the students involved in higher education, which has been quadrupled in the last fourteen years. This rise was partly caused by the development of the economy. Meanwhile the internal construction formed in the labor market is not sustainable any more. According to a generally accepted opinion, there are too many graduates in the field of economics, law and information technology nowadays. (Mang, 2004)

The new education system started in 2006 in Hungary, and the basis of the latest evaluations the situation of Hungarian higher education is better than medium. (Hrubos, 2010) The Bologna Process' important aim is the promoting of student mobility, the European diversity and multicultural character, getting to know each other. A paradoxical effect can be observed in this field: the introduction of the new system reduced the number of foreign scholarship students. There are several reasons, the first reason is the novelty effect, the other is that the education period was shorten, and a Bachelor's three-year and Master's two-year is too short period to planning about study abroad. Linked to this even the lack of language skills, labor market trends, and the fact that the students don't use either a foreign internship opportunities. However the mobility of students means not only strictly learning "delegation" and mission, but also includes professional practices carried out abroad.

Despite the strong students' desire the participation of Hungarian students on the international mobility is low. Mainly the students from institutions of higher education in Budapest travel abroad, resp. students in business and economics and liberal arts education field. (Kasza, 2010) Among the Hungarian students the most popular destination countries are Germany, France, Finland, Italy, United Kingdom, the Netherlands, Russia, Belgium, Austria and Spain. Among the Hungarian universities PTE KTK is located in top ten in the faculty-level rankings from point of view of students' mobility.

The mass higher education is the inevitable consequence of Bologna Process. (Polónyi, 2010) In the two-level system in Bachelor (BA) the students learn wide and not very deep knowledge and they start with relatively generally graduates to the labor market. While the narrower range of education "up shifting" to Master level (MA). This also shows that the obligatory six-month work experience of BA 7<sup>th</sup> semester is key because of the distinction of student mass. So the students can differentiate themselves, they can acquire practical knowledge in a specific field, sector.

A unified higher education strategy wasn't developed in spite of Hungarian accession to EHEA in 1999. Later in Higher Education Act in 2005 had shown the reference to EU and the need for improving competitiveness. The Hungarian higher education continues to lack a comprehensive strategy and objectives, that is currently sail without a compass. (Barakonyi, 2010) "The competitiveness of higher education means the ability of contention on international knowledge-market, long-term



liability getting of positions, and that is characterized by successfully competition for students in education market (domestic students attracting, domestic talent retention, attraction towards foreign students).” (Barakonyi, 2010. pp. 13.) The competitive situation must be measured to ourselves, however it is connected also to the macro-regions, Europe and the world, and the Bologna Process thus to influence higher education. In this competition Hungary’s primary interest is to maintain and develop the correct position of higher education with its institutions and persons. (Krisztián, 2009) The competitiveness has several affecting factors (capabilities of students, the finance of higher education, the efficiency of resource use, quality of education, mobility, infrastructure, etc.). In this study the most important factors are the knowledge behind the degree, skill development, creative environment, practice-oriented education, in brief the issue of students matching to Hungarian and European labor market requirements.

Education cannot respond immediately to the continually altering demand of economy. In case of most decisions, it takes 8-10 years to work out a new specialization and spread it so that new graduates can start working and prove their abilities on the labor market. Previously, unemployment was explained by low qualification because few people could afford to graduate. It has changed by now; the reason for the problem is not the lack of the adequate qualifications, but the inappropriate structure of the education. ”Their knowledge is not up-to-date enough and its level is irregular.”(Falusné, 2001. pp. 962.) Focusing on advanced vocational training can mean a solution to this problem. Further problems are caused by the fact that often graduates can only find a job, for which they are overqualified, which results in a kind of hidden unemployment. (Bilik, 2004) This poses the problem that employers set higher and higher qualification requirements. By doing so, they take away job opportunities from people with lower qualifications, and cause unemployment on that level. (Falusné, 2001) The salary of graduates working at a lower level is less than that of employees in a position that suits their qualification. (Galasi, 2004) This leads to tension on the labor market. The Bologna Process may bring an improvement to the structure of Hungarian higher education. When modernizing it is important to maintain national characteristics, to respond to the latest challenges and to strengthen the competitiveness of the whole European Economic Area and higher education. (Barakonyi, 2004)

The presently Hungarian processes are similar to the Romanian higher education, at least as regards the administration of justice. Romania joined to the Bologna Process in 1999 and promised democratization by the reform, and had placed the focus on quality improvement. (Kozma – Shepherd, 2008) Since the millennium this system was mostly characterized by coherencelessness, so there is no consensus in society and the political parties, which way should precede. (Mandel, 2004)

The question is whether the new regulation’s ability to build consensus. In Romania the new Law of Higher Education (Legea Educatiei Nationale = National Education Art) came into force in February 2011. This law would be fully complied the requirements of the Bologna Process. Peculiarity is that while a number of

matters of university autonomy debate is taking place, until the settlement of the situation of Hungarian minority can be assessed positively. (Székely, 2011) The new law achieve long desired changes, but there is still lack of political consensus behind it, which would ensure the long-term employability. (Pap, 2011)

The creation of new Higher Education Act is taking place today in Hungary, and under the schedule of Hungarian Government the new Act on public education and higher education system shall enter into force and become operational in 2012 September 1. The Kalman Szell-plan called “reform package” establish that the biggest problem of Hungarian higher education is that the educational system is far from the requirements of economy and labor market, the structure of education is wrong. The main aim of the plan is to establish a system which returns the social cost for education. It creates more thoughtful and planned structure, improves quality and thus contributes to economic growth and the reduction of currently very high public debt. The Hungarian public education reform is still in planning period, but it is certain that after discussing the concepts changes are coming to the Hungarian higher education, which will affect the quality of the issued students, competitiveness of higher education and the relationship between labor market and education.

## 6. Recommendations

It has an effect on the present what we are doing today, not what we have done in the past. It amends the past and it changes the future. Whatever we did, we learned, were used in the past, in our workplace we must show in the present: we're here. The old one, we've learned, we have to apply today to the new challenges.

The competence, like multifunction (biological, social and psychic) energy resource, ensure that the current situation will be dominated by the individual. The holder of competency as individual activity base is provided by resources which allows to:

- the autonomous action;
- explanation of the expected performance;
- forming the environment;
- performace-based recognition of the individual activity;
- the development of companion- and self-knowledge.

Strongly the need to measure the cognitive skills: beyond the usual five-point scale increasingly set forth the qualitative and written evaluation of competencies.

The Bologna Process and the economy (which was always ont he practical side of knowledge) more and more put forward competencies which can be used immediately, can ensure the labor-market success, guarantee the application of modern knowledge, these competencies are the personal characteristics manifested in the practical work. The harmony of mass higher education and the market expectations means a major challenge.

The system of professional practice serves as a highly effective feedback. On the one hand it shows the elimination of the fetish of the conventional

knowledge (comprehensive knowledge systems, disciplines, high-context of culture content, etc.). Secondly, there is a demand for bipolar system manifested in competence principle for knowledge and application of skills. This influences not only the target-suspect of training process but also transforms the educational activity. Beyond the knowledge-transfer it requires new and sometimes time-consuming methods and the development and measurement of the competencies of the teachers and the participants during the education.

There is a permanent change in higher education. In the knowledge- and value-oriented economy and society the lifelong learning will become dominant besides knowledge. (While in Hungary the working age population has low participation in adult education. This is especially characteristic of older workers and low educated people.) No more „taxpeyers” money can be spent on education, but no more on the unemployment benefits.

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