

VOCATIONAL TRAINING AS A TOOL FOR DEVELOPING THE HUMAN CAPITAL OF ELDERLY CITIZENS

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Abstract

There is the global trend to recognize the role of elderly and their contribution to the social and economic development of society. Elderly citizens are a specific type of capital that is the human capital. Vocational education is recognized as one of the tools for its development. The purpose of the research is to investigate the vocational training as a tool for developing the human capital of elderly citizens. The conditions for professional training for this age category, as well as the main factors (legal, institutional, organizational, social ones) are analyzed. The research uses theoretical works on the problems of human capital and vocational training, legal acts, and statistical data presented on the websites of government agencies, employment centers, and vocational education organizations. The authors promote the hypothesis that the scope of vocational training and opportunities created in Russia, influenced by a combination of factors such as the degree of citizens' awareness about the Strategy of Actions in the interests of citizens of the Russian senior generation, possibilities of vocational training and additional vocational education. To test this hypothesis, the results of an empirical sociological study conducted by the authors are used.

Key words: vocational training, human capital, elderly, strategies

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Introduction

The relevance of the topic is determined by the significance of vocational education as a tool for developing the human capital of citizens at the retirement age. At the end of the twentieth century the international community directly recognized that the human capital of elderly citizens is influenced by several factors. There is a demographic factor, namely, the aging of the population and the subsequent increase in the number of citizens of retirement age in the age structure of society. The proportion of people aged 65 and over 65 in the EU countries has

doubled over the past 6 decades (Fiala, Langhamrová, 2019). Further, there is the economic factor, which is manifested in a decrease of working-age citizens and, accordingly, in an increase in citizens of pre-retirement and retirement age engaged in labor activity. And, of course, there is the impact of a social factor, namely, the recognition of the right to develop the human capital of elderly people, primarily in the professional direction. The international community has recognized the education to be the first tool for its development. Thus, participants of the Fifth International Conference on Adult Education (1997, July 14-18 in Hamburg, Germany) recommended that all governments of the world would consider adult education, including that of elderly, as a public policy priority. In accordance with this recommendation, many countries have begun to implement the concept of continuing education or lifelong learning (LLL), from pre-school to post-retirement age. Gradually the concept of LLL is developing in the Russian Federation, especially in recent years. Today, Russian senior citizens have various opportunities: they receive informal or vocational education. Obtaining additional vocational education by citizens in the form of advanced training courses or vocational retraining guarantees the continuation of work, satisfaction of both material and social needs. The presence of elderly workers who develop their professional skills and confirm their qualifications is beneficial for everyone: for managers of enterprises and institutions, it guarantees the fulfillment of production goals and tasks, for society there is the preservation of human capital and it ensures the well-being of citizens.

1 Methodology

The research uses economic theories and economic sociology to study the behavior of economic subjects (elderly citizens who continue to work). The authors of the article, justifying the structure of human capital and factors affecting changes in characteristics, refer to the works of L. Thurow, S. Fischer, R. Dornbusch and K. Schmalenzie, W. Bowen, D. Begg, F. Machlupp, G. Becker, S. A. Dyatlov and others. In the article human capital is considered as a structure that consists of several components. These are the following components: 1) it is a production component that includes the ability of a person to perform specific work functions. At the same time, abilities are realized through obtaining vocational education and qualifications, mastered professional knowledge and skills, and professional experience. 2) Further, human capital is determined by the biological component or physical abilities of a person necessary to perform labor functions: these abilities are the level of health, age, and gender. 3) The structure of human capital also includes a cultural component:

values and norms of behavior formed in a specific historical period. 4) the structure of human capital can be supplemented with a psychological component: these are stereotypes of thinking behavior, behavioral attitudes, and work motivation. The application of a systematic approach makes it possible to conduct a comprehensive search for patterns that determine the behavior of economic agents (Kleiner, Rybachuk & Ushakov, 2018). These patterns that determine the behavior of subjects of human capital include the conditions for creating vocational training and factors that affect these conditions. The first condition is that an elderly citizen chooses a professional strategy. Such a strategy is a person's decision about the actions that would allow him or her to keep the employment and continue working. There the following classification actions for senior citizens to implement professional strategies: 1) stay in the same position that the employee are working until the retirement age; 2) move to another position where is not required high level of skills; 3) learn a new profession, but to get a job in the same organization to a position at which he worked until the retirement age; 4) resign from the organization after the retirement age, learn a new profession, get a job in another organization at a position the person has not previously worked. All the decisions (with the exception of the decision "to move to another position where a high level of qualification is not required") provide that in the future the employee will undergo vocational training or receive additional vocational education. The ideal result of these actions and the subsequent implementation of the selected strategy is the improvement of the employee's abilities, the presence of which allows him or her to perform specific labor functions successfully, maintain the necessary level of qualification and even improve it (Kasyanova, Radchenko, Voronina & Turgel, 2019). The choice of actions of elderly citizens to implement a professional strategy is influenced by a combination of factors. This is a psychological factor. The choice of actions of elderly in the role of employees is influenced by the economic factors.

According to the level of education, the elderly population of Russia has, in general, sufficient potential for full participation in the labor force. Although a critical analysis of the educational capital of older workers shows that there is a serious qualification gap between its quality and some of the requirements of the modern labor market. We mean high-tech production sectors, IT, innovative marketing and management (Ambarova & Zborovsky, 2019). Also, when implementing a professional strategy, it is important that an elderly employee understands the situation in the regional labor market, and does not act spontaneously when implementing professional plans (Shuklina, 2016). The necessary

conditions for the implementation of a professional strategy are influenced by a regulatory factor. This is the current legislation in the state and it determines the policy of employment and active aging. For example, in Germany, additional vocational education is officially recognized and encouraged for people between the ages of 50 and 74. The right to education for elderly citizens is established by the German Constitution, which recognizes the right of people at all ages (Kononygina, 2013). On the basis of the German Constitution, Land laws are developed and adopted, including on adult education. The national program for the development of education (White Book), adopted by the Czech government on February 7, 2001, provides for strategic directions and principles of educational policy, including the development of further vocational education for adults and for their retraining (Dolgaya, 2012). Through active labor market policies, organizations can receive government subsidies for vocational training of elderly workers, implement community projects, and create jobs for the unemployed (Anderson, Hunt & Snadden, 2014). There are also conditions such as support for the employment of older people in the labor market and lifelong learning (Wiktorowicz, 2018). Traditionally, economists highlight the institutional factor: it affects the regulation of employment and unemployment, and the processes of pension reform. Currently, many European countries are trying to solve the problem of an aging society by regulating labor, unemployment, and increasing retirement age (Riphahn & Schrader, 2019). The extension of the period until citizens retire has become an institutional factor that largely determines the behavior of older workers in the labor market (Hairault, Langot & Sopraseuth, 2010). The same factor determines the professional strategy and the need for vocational training of older workers. The implementation of the professional strategy of these workers depends on the organizational factor: the availability of vocational education institutions and educational programs, teaching staff and knowledge of teaching methods for this category. The ability to complete vocational training or additional vocational education also depends on the awareness of elderly. The organizational factor includes the readiness of organizations to participate in the training of personnel at the pre retirement and retirement age and to expand the use of retired labor; the degree of readiness for changes in the personnel policy of organizations in connection with the pension reform (Korzhova & Lapina, 2019). Unfortunately, the HR policy for elderly employees in companies is the exception rather than the rule. At the same time, many companies still have youth-oriented HR policies (Brussig & Leber, 2019). There is a direct link between the organization of training for older employees

to jobs or positions: the higher the level of qualification requirements of the position, the higher motivation of employers to organize training.

2 Results and discussion

Let's consider how factors affect the preservation of the human capital of senior citizens through vocational training and additional vocational education in the Russian Federation. Thus, we can positively assess the state of legislation regulating vocational training of senior citizens. The Constitution of the Russian Federation, as well as the constitutions of many European countries, stipulates that state support is provided to elderly citizens for equal access to basic and additional educational programs. The Federal law "On education in the Russian Federation" establishes that citizens of the older generation have the right to include them in the educational process and for the first time establishes the concept of "continuing education", which provides for the possibility of realizing the right of citizens to education throughout their life. A significant event in the organization of professional education was the introduction of amendments to the Labor Code of the Russian Federation and the Federal law "On education in the Russian Federation": the requirements for professional aptitude were specified, and the concept of "professional standards" was established. These changes have created conditions for the transition to competency-based training, as well as an opportunity for cost-effective retraining of employees when moving from one workplace to another. Due to amendments to the Federal law "On employment in the Russian Federation", employment services are allowed to send citizens of pre-retirement and retirement age to vocational training and additional vocational education. These are citizens who have officially issued a pension and want to resume working in professions that are in demand on the labor market. There is a positive impact of the organizational factor. Thus, the Government of the Russian Federation has established rules for providing subsidies from the Federal budget to non-profit organizations for the organization of vocational training and additional vocational education of people at the pre-retirement age. In addition to non-profit organizations, state colleges and universities are actively engaged in the development and implementation of educational programs. But can senior citizens really take advantage of the created conditions for vocational training and additional vocational education? Here is an example for the Sverdlovsk region. The population of the region according to Rosstat is 4310861 people, including 1356800 pensioners or about 30% of the population, including 321884 men and 794538 women. The status of citizens of pre-retirement age is given to those who can retire

two years earlier than the prescribed period: men at 60 and older, women at 55 and older. As a rule, this category includes those citizens who were fired or lost their jobs due to the liquidation of the organization. They must be registered at the employment center as unemployed and have a certificate stating that they cannot find a job on their own in order to receive benefits (in the form of payment) and then pass vocational training or additional vocational education. This practice exists in many European countries. How actively does this category of citizens use opportunities for vocational training? In 2019, only 1982 citizens of pre-retirement age took advantage of this opportunity, 1339 citizens from this number independently applied to employment centers and received training, as well as 643 employees from 79 enterprises operating in the Sverdlovsk region. At the same time, training for employees of these enterprises was organized at the expense of state subsidies. Let's analyze the situation of professional training of pensioners in Yekaterinburg – the central city of the Sverdlovsk region, where 1515832 people or 35% of the total population of the region are living. The population over working age living in Yekaterinburg is 269000 people. In 2019 1458 citizens (1032 of them women) applied to the city employment center in order to find a job, 984 people, or 67.5% of the total number of applicants, were employed.

The employment center offers citizens vocational training in working professions that are in demand in the labor market of Yekaterinburg: a pastry chef, plumber, elevator operator, security guard, carpenter, seamstress, cashier, storekeeper. For professionals who are registered as unemployed, employment centers offer advanced training courses in the following educational programs: "Documentation support of management", "IC trade management" (study of computer accounting software), "Contract system in the field of procurement of goods, works, services for state and municipal needs". Colleges offer citizens of pre-retirement and retirement age to choose vocational retraining programs in different areas of competence: in the field of services, service and tourism, physical education, sports and fitness, confectionery, etc. But so far only a small number of citizens have used these educational services. Thus, in the Sverdlovsk region, there is a contradiction between the opportunities created by the state to preserve human capital using vocational training, and the real situation. What is the reason for this contradiction? According to the authors of the article, there are several reasons that were identified by the results of the survey. The authors of the article interviewed 418 Russian citizens aged 50 to 72 years living in the Sverdlovsk region, one of the largest and industrial regions of Russia. The sample characteristics are as follows: 68.4% of respondents are employed; 60.8% of them are retired; 7.6% have their own

business or are self-employed; 25.4% do not work; 1.9% are unemployed. 61.7% of respondents are women and 38.3% are men. The majority of respondents (89.9 %) live in the cities of the Sverdlovsk region. The results of the survey revealed a low level of awareness about the main government document, which reflects the main activities, including opportunities for vocational training; this refers to the Strategy for Action in the interests of older citizens in the Russian Federation until 2025. There is a slight difference between age groups in the level of awareness of the Strategy of Actions in the interests of older citizens in the Russian Federation.

Tab. 2: Do you know anything about the Strategy for action in the interests of older citizens in the Russian Federation until 2025?

Level of awareness of the strategy	Age group					Total
	50-54	55-59	60-64	65-69	70 and older	
Yes, well-informed about its content	16.7%	8.7%	8.9%	11.5%		8,7%
Yes, but you've only heard of it	33.3%	39.1%	46.4%	50.0%	57.7%	44,6%
Know nothing	50.0%	52.2%	44.6%	38.5%	42.3%	46,7%
Total	100%	100%	100%	100%	100%	100,0%

Source: the table was developed by the authors. (The correlation with age is taken into account)

There was no significant difference between groups of respondents with different levels of education in terms of the level of awareness of the Strategy of Action in the interests of older citizens in the Russian Federation.

Tab. 3: Do you know anything about the Strategy for Action in the interests of older citizens in the Russian Federation until 2025?

Level of awareness of the strategy	Educational level							Total
	Primary	Secondary	Primary vocational	Secondary vocational	Incomplete higher education	Higher Education	Academic degree	
Yes, well-informed about its content		14.3%		3.1%		11.9%	16.7%	8.3%

Yes, but you've only heard of it		21.4%	75.0%	47.7%	37.5%	47.5%	33.3%	45.6%
Know nothing	100%	64.3%	25.0%	49.2%	62.5%	40.6%	50.0%	46.1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: the table was developed by the authors.

The next reason that explains why a small number of citizens have used these educational services is the prevailing professional strategies of Russian pensioners. In general, citizens after retirement age want to work in the same organization and position or move to a position with lower qualifications. Only 25 % of respondents want to change jobs. Accordingly, this small group of citizens has a need to receive educational services for vocational training or additional vocational education, and can also take advantage of the conditions created in the state. Another group that remains employed in the previous organization, as before the retirement age, is undergoing professional development, as the rest of the employees. But we note that this statement requires further study.

Tab. 4: Employment option after retirement

The option of employment	Gender		Total
	Male	Female	
After the retirement age they are retired and don't work any more	25.4%	12.8%	20.5%
Work in the same job as before retirement age	57.4%	61.5%	59.0%
Changed jobs	17.2%	25.6%	20.5%
Total	100%	100%	100%

Source: the table was developed by the authors

According to the authors, the obtained theoretical and empirical conclusions can be applied to the interpretation of data on professional training of Russian citizens of pre-retirement and retirement age in similar Russian cities.

Conclusion

In Russia vocational training can actually be a tool for preserving the human capital of older citizens, as in other European countries. But, at present the scale of professional training and additional vocational education for Russian citizens of pre-retirement and retirement age can be estimated as limited, although conditions have been created for the most part. The following reasons have been identified to explain the contradiction between the opportunities created in the Russian state and the small scale of professional training. This is a low level of

awareness of citizens in general about the Strategy of Actions in the interests of older citizens in the Russian Federation, as well as about the opportunities for vocational training and additional vocational education. Further, the next reason is the professional strategies prevailing among Russian pensioners. Only one fourth of citizens are ready to change jobs and undergo professional retraining accordingly. Another quarter of citizens do not want to work after retirement, so they are not interested in vocational educational programs. The rest of the citizens after retirement age work in the same organizations and can undergo professional development, as well as all employees. But note that this statement requires further study (because some employers demonstrate discriminatory behavior towards such employees).

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