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THE NEW STAGE OF REAL ESTATE EDUCATION IN BELARUS

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Abstract

This paper aims to take the principles of real estate education and to show specific features of education in this sphere in Belarus. Experience of leading real estate universities was taken into account while forming curriculum in new-opened real estate management department of Belarusian State University. Faculty hopes for fruitful cooperation in the field of education, science, and also in the field of exchanging of the students, teachers etc.

We offer the idea of creation International academy of the real estate in Europe, which is necessary for the purposes of scientific researches and achievement in sphere of real estate propagation.

THE NEW STAGE OF REAL ESTATE EDUCATION IN BELARUS

In our days school graduate students in Belarus are willing to get Higher Education. Few years before it was prestige to be an economist or a lawyer. Now labor market dictates other requirements. Enterprises interested in people with new speciality. For example, economist who know at least one of an industry. In our days many Universities offer technical, economical and other speciality. Since process of privatization there is great demand on real estate speciality. There were attempts to organize special real estate courses. But real estate market needs fundamental real estate education.

That is why a new Faculty of real estate management is opened in a leading university of Belarus - Belarusian State University. On September 2000 the Faculty welcomed students after school and people who have a high education. There are daytime and correspondence education. We have a great demand from people who wanted to study post-graduate course but there is not experience in the field of real estate education in our country.

So, we are going to look through the experience of other countries. We had looked through education program of France, Germany, Finland and others. In all of these countries the education program are different. But let's discuss each of them in separate.

Since the mid90s the economic and financial consequences of the unprecedented international boom-bust property cycle have been new job creations and opportunities such as asset manager, facilities manager or property consultants in the real estate field in France. As a consequence, new real estate education programs have been launched in some of the countries business school.

While real estate business education is not yet as well developed in France as it is in Great Britain, where the RICS has taken the initiative in promoting many real estate business education program in both universities and business schools, France has traditionally developed numerous training program in law. These specific real estate programs in law are now wide spread and put on by almost all French universities. Also, some law graduate establishments have been created in order to promote real estate law education. Similar developments have taken place in other European countries, such as Belgium, the Netherlands, Italy and Spain, where real estate is only studied with emphasis laid on law.

There are three types of real estate training and education has run by universities.

First type of real estate education (REE) is an urban and architectural one provided in urban management programs offered by town-planning institutes, architecture schools and universities. Real Estate is not taught at all as a specific subjects; no specific real estate finance, economics or business teaching is broached in their programs. The subjects taught are mainly town planning concerned or architectural, the focus being an urban management, sometimes real estate law, but never real estate finance.

Some high-level public engineer schools provide the second type of education. Here, subjects taught are, on the contrary, mostly of a technical, and real estate finance.

Some high-level public engineer schools provide the second type of education. Here, subjects taught are, on the contrary, mostly of a technical, and deal more with building itself and the building industry than with the actual real estate business.

Finally, the last and the most widespread type of REE is based on legal studies. As has been mentioned above, many post – graduate programs in real estate in real estate law have been developed in France, Paradoxically, not one of these programs presents or tackles real estate as an economic, finance or business field.

There are historical and structural reasons that explain the French paradox and it can be illustrated by the high number of academic real estate courses based on law studies compared to the nearly complete, absence of academic finance and economics classes and programs in real estate education.

But by the way all these program are enjoy popularity with graduate and post- graduate students.

Education on estate market in Finland is young. Finland education follows the German engineering tradition and based on learning and exploration of estate market.

Education on estate is based on:

- Building technology;
- House-building;
- Surveying.

From all of this follows that education is more orient to technological aspects, than to management and business. Economic and finance got less attention. By experience of Finland follows that we are to bear in mind the worlds standards, which concern to estate sector. Last time real estate has lost the interest from people, like information technologies and electronics. The reasons of this are: limited offers of education; education is full oriented on technical sciences and concentrated around building industry.

In cause of this Finland became to a conclusion that it have to pay more attention to management and economic of estate. This will increase students' interest to study this branch of science. Education must be focused on value, work in team, planning management, consumers direction.

We can come to the conclusion that Finland pays more attention to estate education than France.

There is more attention pays to technical subjects in France, that is not optimal and have to be changed.

It has to be assigned the one of the good sides of Finland education program. This education program contemplates studying foreign language abroad and all subjects will be studying on this foreign language.

Analyzing estate educational programs of France, German and Finland we can make a conclusion:

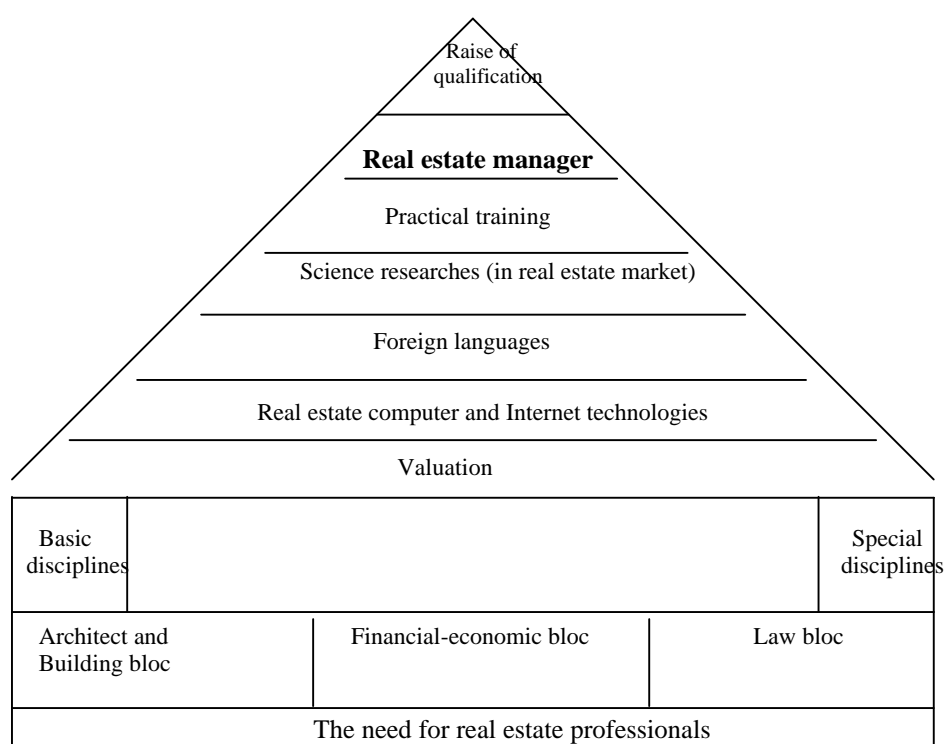
French educational program is mainly based on studying of law. It's not enough economic and technical disciplines to future specialist could correctly evaluate the real price of the estate object;

Finland educational program is based on studying technical disciplines. From the other side a manager will not be able correctly evaluate the real price of estate object if he doesn't know the law;

German has combined experience of France and Finland educational programs and includes economic, architecture, law and regional planning in its educational program.

From all of this we can make a conclusion that Belarusian University have to build its estate educational program upon the experience of German universities. This program envelops the disciplines, which have to know manager-economist at estate market when he strikes a bargain or analyses object price and etc.

In republic of Belarus has been planning to put on universities this kind of education program in REE.



There is strong demand on real estate managers with high education from all sectors of the construction, real estate and financial world. But educational system of Belarus didn't offer such specialists. More over we have two Ministries: The Ministry of housing-municipal services and the Ministry on management of state property and privatization. No one studied specialists for them. And only now the situation is changed.

But we have a lot of others problems in real estate education. They are following.

The expert in sphere of real estate in western sense in the former USSR countries should consist from as a minimum of three experts with high education in the next fields:

1. Legal.

2. Financial and economic.
3. Architectural and building.

From existing specialties in the qualifying directory in Belarus (and if there is not in the directory it can not exist lawfully) the closest to the manager of real estate, understandable in the West-European sense, is the economist - manager who has two specializations:

1. E.01.09.04 - manager of a housing-municipal services;
2. E.01.09.07 - manager in the real estate market.

The educational plan of the economist - manager, authorized by Ministry of education, including named two specializations provides 624 hours of the specialized courses, within the framework of which it is necessary to give fundamental knowledge of the real estate, which the economist - manager who is not included in a subset of these two specializations, should not have (it makes only 12,6 %):

Disciplines	Hours	Percent
Humanitarian and social disciplines	1474	30%
Mathematical and natural - scientific disciplines	486	9,9%
Professional and special disciplines	2336	47,5%
Disciplines of specializations	624	12,6%
Total	4920	100%

Legal: - the common law - in complete volume of a faculty of law
(Civil, economic, criminal law)
- the special law - only aspects connected to the real estate.

Architectural and building:

Basis of architecture and construction, sufficient for:

1. Making decision of real estate management questions of in sense of organization of its exploitation, repair etc. – the activity of housing-operational services, housing-repair associations
2. Making decision of questions connected with organization of building (perspective planning, choice of building variants from the point of view of existing opportunities)
3. Purposes of valuation from the point of view of an estimation of buying expenses and operational of expenses;
4. Investment designing: knowledge of the tendencies in development of materials and methods of buildings construction (for example from the point of view of transformation of rooms opportunity)
5. Mortgage.

Financial and economic:

Valuation

The analysis and forecasting

Substantiation and support of the investment projects

Support of building and operation (sale) processes of the real estate
 Mortgage - securities (mortgages), processes of real estate crediting
 Pledges as maintenance of the bargains.

Conclusion: the manager in sphere of the real estate in western sense cannot be prepared within the existing specialty - the economist - manager. The radical reconsideration of the approaches with use of world (European) experience is necessary, where the educational plans and programs have existed by decades.

It is necessary to carry out:

- 1) Reconsideration of the qualifier of specialties
- 2) To enter into the qualifier of specialties a new specialty - manager of the real estate which will be distinguished from the economist - manager
- 3) To develop the New educational plan, which takes into account aforesaid and European experience
- 4) To coordinate this educational plan to the necessary instances.

We will try to overcome these problems. The organizer of this will be BSU.

But we have some positive moments in our education system. They are following.

Our education traditions intend the professional to have serious general education that makes him to be not only a professional but also a high educated and cultural man. That's why he has to study the humanities and natural sciences. Besides, except general education it makes accent on real estate market and getting general knowledge about subjects that he would study later. The main disciplines are economic and management (let's come back at the chart).

While studying estate economic a student would get knowledge about real estate and its kinds, about a model of estate market as a part of investment process, about the methods to define effect of estate on different stages of its development and function, about foreign estate market and internet-technologies in this branch.

The main subject, which has to be said, is valuation of property, because estate and evaluation hardly connected in market conditions. At last the aim is to increase estate price.

Within the limits of this subject a student have to study valuation of property, enterprise valuation of property, valuation of non-financial actives and etc.

One of the main subjects of the XXI century is computer and internet-technologies. If you know this subject you'll have an advantage among other people while working at a big company or at another place.

The main condition to modern professional is to know foreign language. Studying of a foreign language presuppose to know foreign language well during the whole period of education.

At the end of the discussion training of specialists I've to mark that any theoretic training cost a little without practical training.

If you have got all foregoing knowledge and skills you might to say you are a good estate manager. It's also important to acquaint with new technologies in our fast-changing world.

It's hardly to imagine any professional without serious science training. Only developing science researches it's possible to increase students and teachers level. It's important this researches to be claimed not only by own country but by the whole world. That's why our country planes to develop cooperation with other countries and between foreign universities to prepare professionals abroad. By this program students will get a diploma not only of its own university, but of the foreign too.

But there is a problem to unify the program. Every European or American universities have its own estate education standard. That's why **we offer the idea of creation International academy of the real estate in Europe, which is necessary for the purposes of education coordination, scientific researches and achievement in sphere of real estate propagation.**

ERES can be the organizer. Academy can be created inside structure of ERES or outside of.

Functions:

- ✍✍The edition of the European scientific real estate journal
- ✍✍Organization (including financing) international research projects.
- ✍✍Consulting services, including consultations about investment into the international real estate.
- ✍✍Coordination of the scientific and educational national centers, standardization and certification in the field of real estate education.

The traditions of real estate valuation in an equal measure are close (are far) from methodologies of the various countries of European Economic COMMUNITY. The TEGoVA initiatives about standardization of the appraisers, are clear and are close in Belarus, therefore we aspire to prepare the experts according to requirements TEGoVA. Experts should be capable to work in the markets of European Economic COMMUNITY countries using techniques and standards of TEGoVA, not being declined to any or national specificity (impartial).

List of literature:

1. Schulte Karl-Werner. European Real Estate Education. Paper presented at the 7th ERES conference, Bordeaux (France).
2. Trifonov N. Yu. Real Estate Education in Belarus. Paper presented at the 6th ERES conference, Athens (Greece).
3. Kaj H., Kaisa Leiwo. Challenges of votation and higher-level real estate education in Finland. Paper presented at the 7th ERES conference, Bordeaux (France).
4. Alastair Adair and others. Changing business enviroment in Ireland: influences on the real estate curriculum. Paper presented at the 7th ERES conference, Bordeaux (France).
5. Robin N Goodchild. Real estate education in global market: Denman's forgotten dimension.