



---

### Factors motivating Southern Transdanubian students' secondary education plans and career choices

In this analysis, we are examining the school choice motivations of 8th grade Southern Transdanubian students and the factors influencing their decisions. Optimal directions of further education are identified in this analysis with the school type students will first send their applications to (grammar school, technical school – the name of earlier was vocational grammar school –, vocational training school – the name of earlier was secondary vocational school), so we shall mainly focus on the differences originating from choosing one of the school types above, however, respondents' primary school results, attitudes and plans will also be mentioned. The analysis is based on the survey conducted by HCIC IEER. The questionnaires were filled in by respondents between 26 February and 13 March 2020 (n=313, due to the pandemic the survey period was shorter than planned).

#### Characteristics of students choosing different types of school

Almost a third (31%) of respondents sent their first-place applications to grammar schools (or secondary general schools), over a quarter (26%) to technical schools (which includes the option of sitting traditional school-leaving exams at the age of 18 and obtaining a technical diploma following a 5-year course), and more than two fifths (44%) to vocational training schools. None of the respondents said that they would not continue their education path after finishing primary school (see figure 1). Based on the results, decisions concerning further education, or in our case the choice of training and school type, correlates with the type of settlement the students live in. 79% of respondents living in villages and 76% of small town dwellers will send their applications to technical schools or vocational training schools, which is a far greater rate compared to

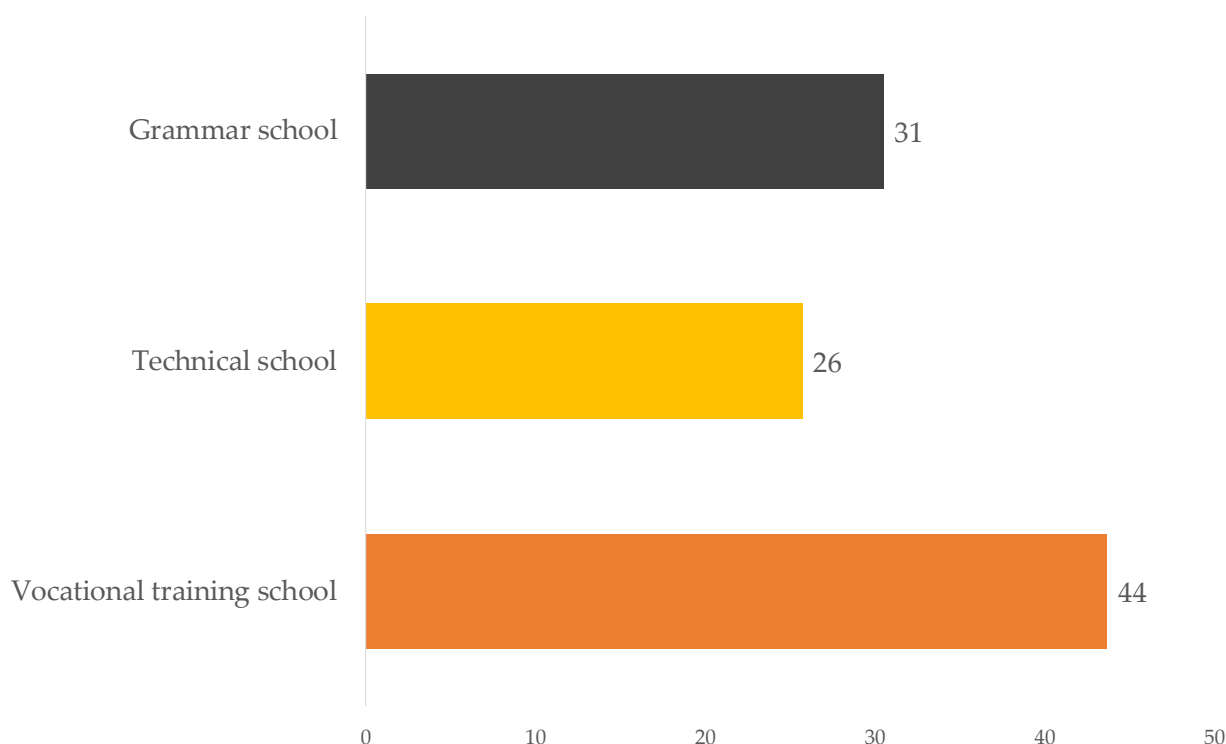
pupils living in county seats or municipalities (48%). Students applying for entrance to vocational training schools are more severely affected by geographical, cultural and material inequalities. The rate of pupils who live in villages and smaller towns and want to become vocational training school students is the highest throughout the groups (consequently, the number of commuters among them is equally high). They also tend to have unschooled parents with a low labour market profile. Their parents usually completed not more than eight school years (mother: 24%, father: 25%), are unskilled or trained workers (mother: 41%, father: 32%), do odd jobs, public work or are unemployed (mother: 29%, father: 20%).

Vocational training school applicants' deprived conditions are clearly shown by facts

that a significant number of them (45%) can't afford to eat fresh fruits or vegetables every day, or that many don't have books apart from their school coursebooks (37%), have no sports and hobby equipment (24%), and can't go for a

holiday with the family at least once a year (24%). All things considered, applicants to schools that issue a secondary school-leaving exam certificate (especially to grammar school) are the most well-situated.

**Figure 1: Distribution of students according to the type of school indicated in the first place in their decision to continue their studies (%)**



Source: IEER, 2020 ( $n_{\text{gram}}=96$ ;  $n_{\text{tech}}=80$ ;  $n_{\text{voc}}=136$ )

Vocational training school applicants also tend to have the worst primary school records. The rate of students who are 16 years of age or older is the highest in this group (14%). Those students are also more prone to fail classes and repeat school grades. Indeed, the rate of first half and second half term fails is extremely high among vocational training school applicants (28%) compared with their technical school and grammar school applicant counterparts (12% and 2%, respectively). Poorer results are also more typical of vocational training school applicants. 42% of

them have their school average below 3.4, a much higher rate than that of technical school applicants (17%) and grammar school applicants (3%).

Less than a half (48%) of vocational training school applicants take extracurricular courses, usually provided by the school itself (generally free of charge), a fact strongly correlating with bad results at school as well as poor material conditions. In contrast, about two-thirds of grammar school and vocational school applicants take extra classes at school or elsewhere (65% and 64%, respectively).

### Education plans and factors influencing education choices

Results show that students are primarily influenced in their choices by the training they apply for (44%), and ultimately by the school (24%) although it should be noted that according to almost a third (32%) of respondents, the training and the school are equally important factors. Grammar school applicants, however, are primarily influenced by the school in making their decision (40%). This source of influence is much less typical of technical school (14%) and vocational training school applicants (20%). Most students in these latter groups (49 and 51 percent, respectively) first decide what they will learn on which trainings and choose a school accordingly.

Regardless of school type, decisions are influenced by parents and relatives the most strongly. 67% of respondents mentioned the role of relatives when asked about the three most decisive influencing factors. Secondary education brochures and open days also seem to play a marked role (60%). While grammar school applicants were likely to rely on personal acquaintances (classmates, friends, class teachers, teachers), technical school applicants prefer other sources like the Internet, media, career days, career orientation experts. Finally, vocational training school applicants rely on both personal (classmates, friends, class teacher) and professional (career days, experts) sources. (See table 1).

**Table 1: Rate of students attending each school type concerning the most important factor that made them choose that particular secondary school type (%) [n<sub>gram</sub>=95; n<sub>tech</sub>=81; n<sub>voc</sub>=135]**

	Grammar school	Technical school	Vocational training school	Total
Parents, relatives	71	60	69	67
Secondary school brochures, open days	61	66	55	60
Internet	34	46	33	37
Classmates, friends, acquaintances	34	19	31	29
Career orientation experts	10	18	24	18
Primary school career orientation days	9	22	18	16
Primary school class teacher	13	7	19	14
Media	4	13	6	7
Career orientation days organised by the Chamber of Industry and Commerce	3	8	6	6
Chance (it just happened so)	6	6	5	6
Primary school teacher	6	0	1	2

Source: IEER 2020

Note: Respondents could choose not more than three factors.

Decisions are primarily dictated by the applicants' fields of interest (79%). Another important factor is talent in the respective field (44%). Decisions are also driven by the labour market, for example, that the trade chosen should pay well (43%). These three factors are well represented in all three groups categorised by their school type choice, however, they are not necessarily among the

three most important ones. Generally speaking, grammar school applicants tend to prioritise factors concerning the school itself and the training it offers. For grammar school applicants the prestige of the school they choose is certainly important, as it is to have the way open to tertiary education and to find jobs easier. For applicants to technical schools or vocational training schools, getting a grant is more important (see table 2).

**Table 2.: Rate of students attending each school type concerning the factors they deem the most important in their future jobs (%) [n<sub>gram</sub>=96; n<sub>tech</sub>=80; n<sub>voc</sub>=137]**

	Grammar school	Technical school	Vocational training school	Total
Field of interest	79	82	74	78
Skills and talents	45	49	40	44
High future salary	44	50	38	43
Further education prerequisite	42	58	27	40
Easy to find employment	39	40	24	33
School results	48	33	22	33
Family recommendation	32	24	25	27
School/training is famed, acknowledged, of good quality	44	22	12	24
The closeness of the school/training site to a home	25	29	17	22
Secondary school characteristics	22	19	7	15
Scholarships, grants	4	17	19	14

Source: IEER 2020

Note: Respondents could choose not more than three factors.

### Expectations about the future job

The two most widespread requirement from a future job among students includes job satisfaction (49%) and a high salary (48%). Other expectations were also common, for instance, that the job should be interesting and not monotonous (38%), and good collegial

relations were also frequently mentioned (37%). Regardless of the school type chosen, these four factors were invariably top priorities, although a high salary (vocational training school: 57%, technical school: 49%), and good collegial relations (vocational

## MBET October 2020

training school: 46%, technical school: 34%) were more pronounced expectations to future vocational training school or technical school applicants than to grammar school applicants (35% and 26%, respectively). For grammar school applicants, the most important requirement is autonomy (grammar school: 22%, technical school: 18%, vocational training school: 6%). For vocational training school applicants, the vicinity is also important (grammar school: 5%, technical school: 1%, vocational training school: 8%).

We also asked the students how they feel certain factors are important in getting ahead in life. On our five-grade scale, three factors scored the highest average: professional practice and experience (4.5), good

## Summary

All in all, grammar school applicants tend to make their decision later than other applicants, one in ten just a few days before the application deadline. Grammar school applicants were also less decisive concerning career choices and future orientation, exemplified by the fact that 15% of them cannot tell what level of education they want to accomplish during their lives, and as many as 27% don't have an idea of what job they want to do. All this might imply that to some grammar school applicant's application is only a postponement of a career decision, as they choose an institution that offers more general training.

According to our records, technical school applicants seem to be the most conscious –

qualifications (4.5) followed by hard work and diligence (4.4). Good professional skills, talent, self-confidence, resourcefulness and language skills scored above 4. Respondents' answers also tell us that luck (3.5) and the prestige of the school they went to (3.4) are the least important factors (3.5) on the way to success. In general, for applicants to schools that issue a secondary school-leaving exam certificate (grammar schools, technical schools) it is much more important to attain high qualification than for students targeting vocational training schools, while professional experience, practice, profitability, family background and professional background are preferred by future technical school or vocational training school students.

further supported by the fact that they are the group most likely to make an individual decision concerning their secondary education (44%).

Overall, the results also show that the family background and the future education outlook of grammar school applicants are more favourable, with a clear demand for quality than that of vocational training school applicants. In several cases (for example, parents' education, family's socio-economic background, learning outcomes), the technical school applicants comprise a transient category between grammar school and vocational training school applicants.

## The economic effects of the COVID-19 pandemic amongst Hungarian enterprises – Changes in employee numbers

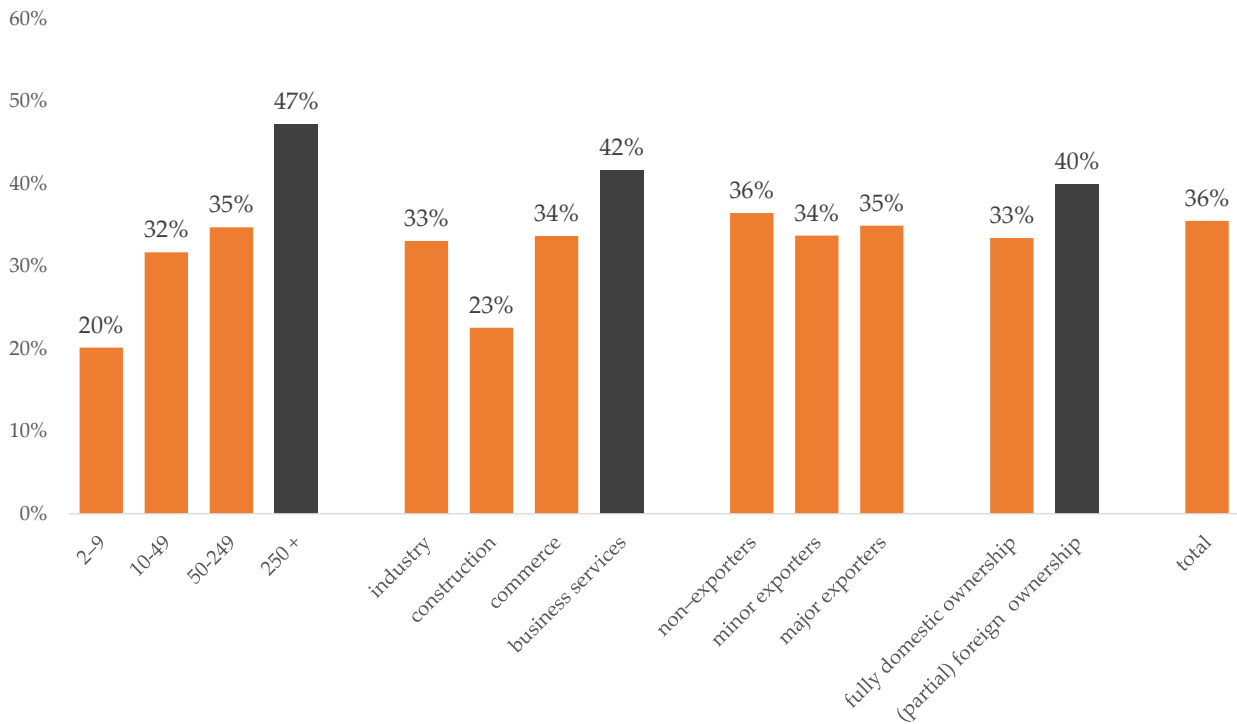
HCIC's Institute for Economic and Enterprise Research (IEER) recently examined the effects the COVID-19 pandemic exerted on the economy. This time, the main focus is on employee numbers. The data used in this paper originate from the most recent Business Climate Survey conducted by IEER in April 2020 involving 2891 Hungarian companies. Records were taken between 1 April and 30 April 2020, during the period of COVID-19-related restrictions, so first impressions of the pandemic and the ensuing economic lockdown had a profound impact on our results. The aim of IEER's Business Climate Survey was to map the CEO respondents' short-term expectations based on their subjective judgement and information available to them at the time the survey was conducted.

**In total, 36 per cent of companies employing at least two workers dismissed at least one employee between March 1st and the time the survey was taken. In the same time frame, 24 per cent of respondents reportedly hired at least one new employee.** Job cuts in the surveyed period were most commonly implemented by 250+ companies (47 per cent), service providers (42 per cent), and companies of (partial) foreign ownership (40 per cent). Businesses that hired include (partially) foreign-owned companies (35 per cent), 250+

companies (32 per cent), major exporters (31 per cent), construction companies (30 per cent) and industrial (29 per cent) enterprises.

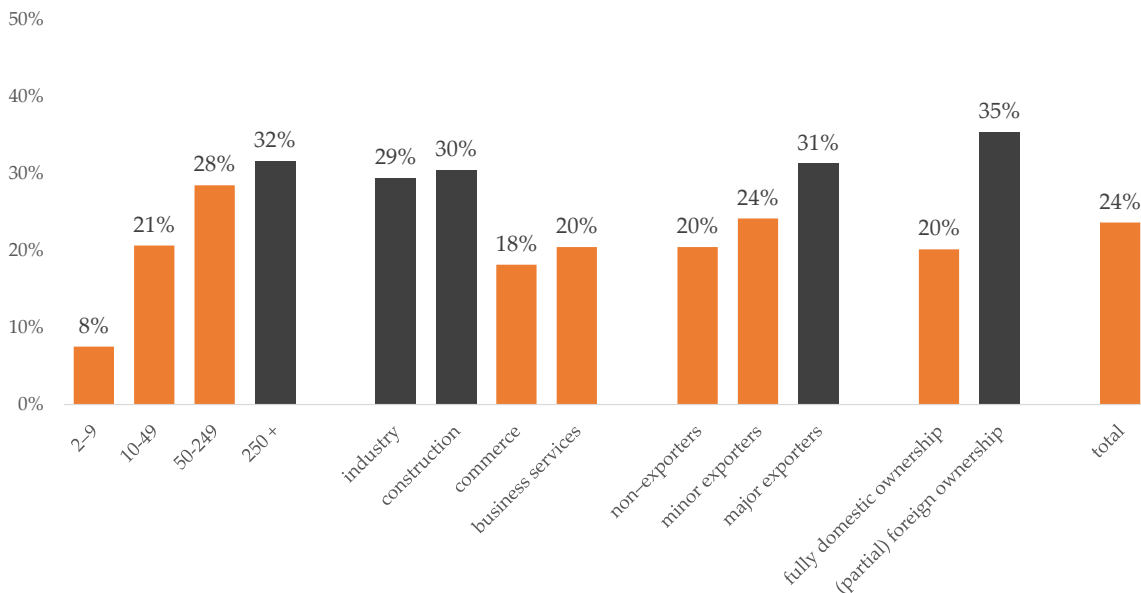
**The employee number total was lower in April than in March** in all categories but one (graduate white collar jobs, rose by 1 per cent). In the surveyed period marked by the pandemic, trainees were the most exposed to cuts (their numbers fell by 6 per cent), followed by unskilled labourers (by 3 per cent) and skilled/part time/senior employees (by 2 per cent in each category).

**Figure 1: Rate of companies cutting jobs, 1st March – April 2020, by company size, per cent, N employed number minimum 2=1913**



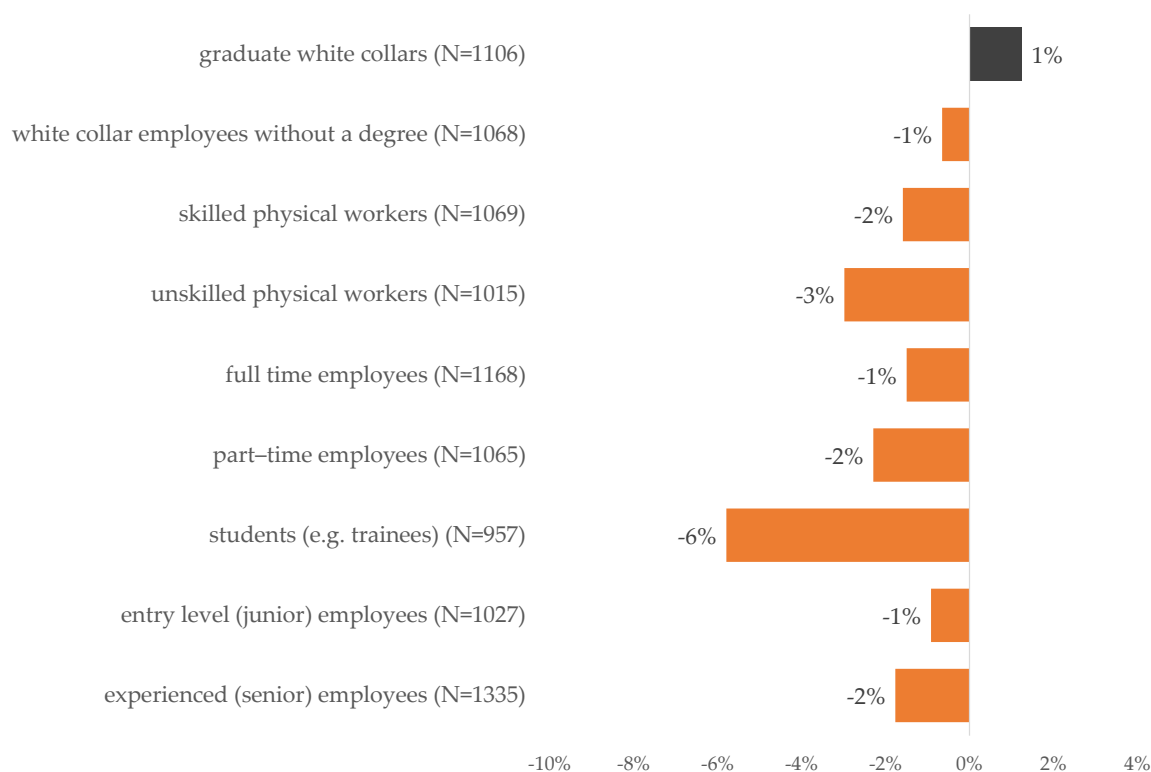
Source: IEER 2020

**Figure2: Rate of companies hiring new staff, 1st March – April 2020, by company size, per cent, N employed number minimum 2=1799**



Source: IEER 2020

**Figure 3: Changes in numbers of employees, in distinct categories, working for companies employing at least two people, 1st March – April 2020, per cent**



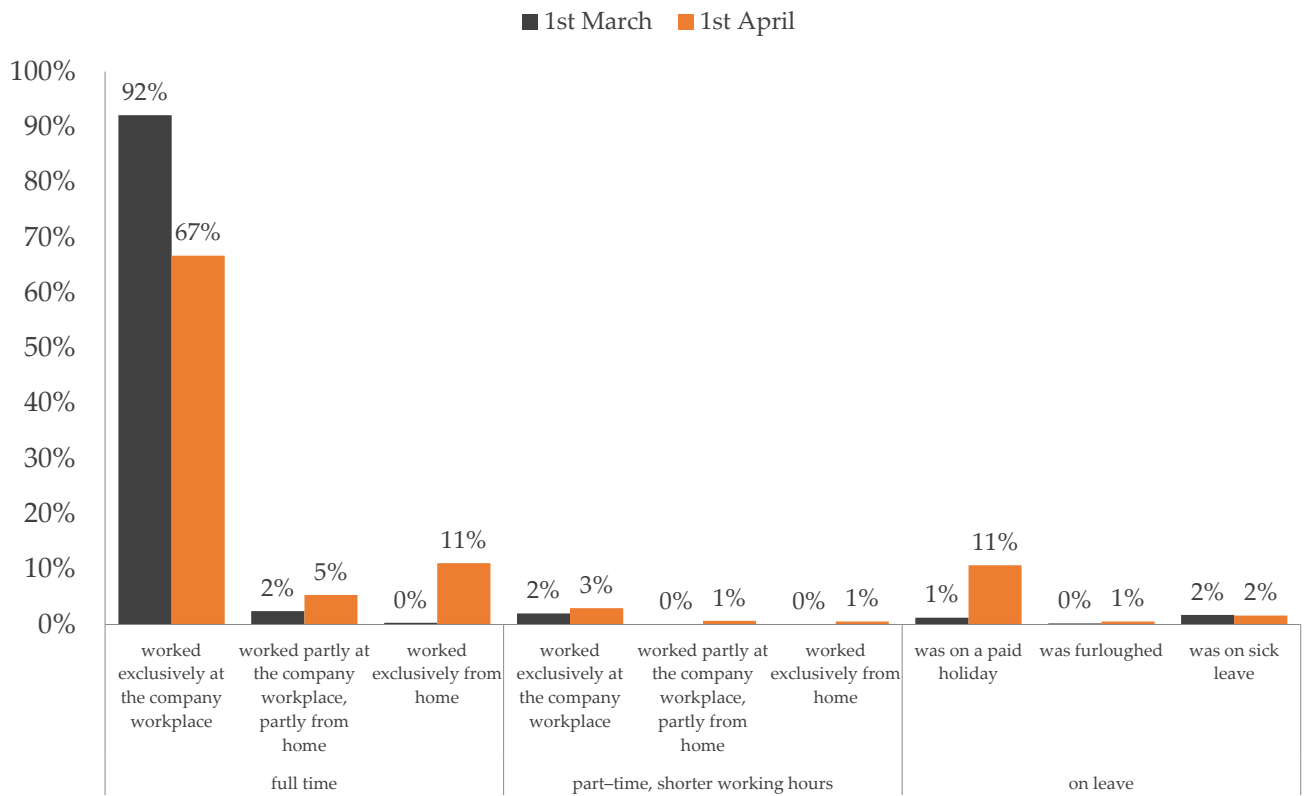
Source: IEER 2020

The overwhelming majority (92 per cent) of workers by companies in Hungary employed full time, exclusively at company workplaces on 1st March 2020. Restrictive measures introduced to prevent the spread of COVID-19 caused this rate to fall to 67 per cent by 1st April. In a single month the rate of employees working exclusively from home increased by 10 percentage points (11 per cent on 1st April

2020). The number of those on paid holidays rose too (also 11 per cent on 1st April). **35 per cent of surveyed companies expected employee numbers to fall compared to the same period in 2019.** 56 per cent did not expect a change at the time of the survey and 9 per cent believed that their numbers would rise.



**Figure 4: Rate of employees working on and offline for companies employing at least two people, 1st March 2020 and 1st April 2020, per cent, N<sub>March</sub>=1706, N<sub>April</sub>=1559**



Source: IEER 2020

## International trends

Changes in the production, consumption and employment situation in certain major international economies compared with peer expectations and the previous period.

		Period in review	Actual data	Expectations	Previous period
	Unemployment Rate	(October)	<b>6.2%</b>	6.3%	<b>6.3%</b>
Germany	Manufacturing Purchasing Managers Index	(October)	<b>58.2</b>	58.0	<b>58.0</b>
	Ifo Business Climate Index <sup>1</sup>	(October)	<b>92.7</b>	95.0	<b>93.2</b>
France	INSEE Business Climate Index <sup>2</sup>	(October)	<b>90.3</b>		<b>91.9</b>
	Unemployment Rate	(October)	<b>6.9%</b>	7.7%	<b>7.9%</b>
USA	CB Consumer Confidence Index	(October)	<b>100.9</b>	102.0	<b>101.3</b>
	Manufacturing Purchasing Managers Index	(October)	<b>53.4</b>		<b>53.3</b>
China	Manufacturing Purchasing Managers Index	(October)	<b>51.4</b>	51.3	<b>51.5</b>

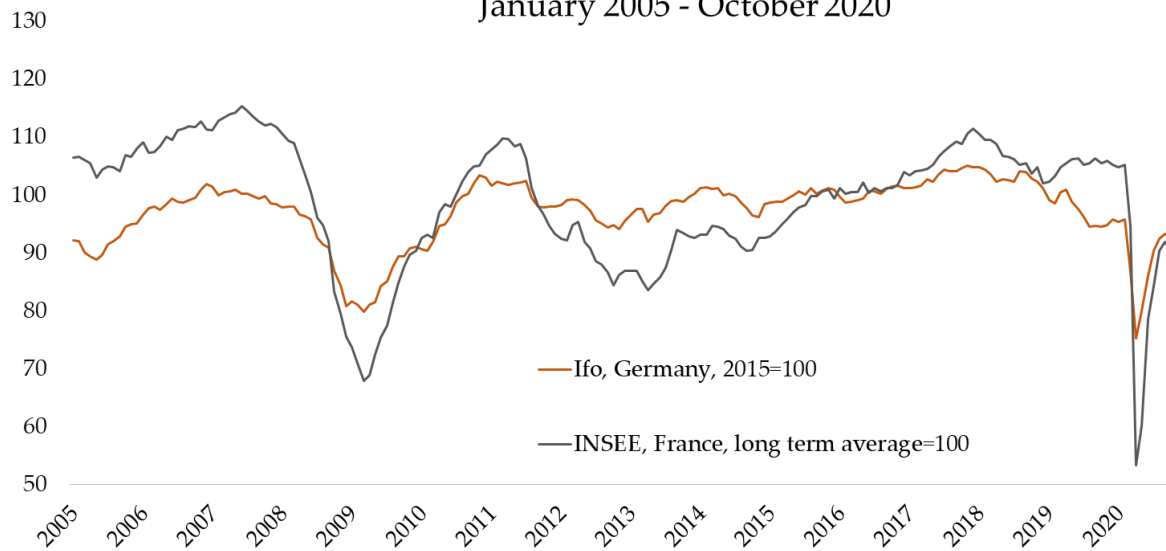
<sup>1</sup><https://www.cesifo-group.de/ifoHome/facts/Survey-Results/Business-Climate/>

<sup>2</sup><http://www.insee.fr/en/themes/indicateur.asp?id=105>

The rest of the data source: <http://worldeconomiccalendar.com>

In Germany, the Ifo business climate index decreased, compared to last month. The manufacturing purchasing manager index (PMI) has demonstrated an increase, it performed slightly better than expected. Unemployment rate improved slightly for Germany. The French INSEE business climate index decreased compared to last month. In the United States, the CB consumer confidence index demonstrated a decrease compared to the month prior, and it performed worse than expected. The manufacturing PMI remained virtually the same compared to previous month in the USA. The unemployment rate has decreased compared to last month. The Chinese manufacturing PMI decreased slightly compared to previous period.

Business confidence in Germany and France,  
based on the Ifo and INSEE business climate survey,  
January 2005 - October 2020



Sources: [www.ifo.de](http://www.ifo.de), [www.insee.fr](http://www.insee.fr)

---

## Contact

Address: MKIK GVI  
1054 Budapest, Szabadság tér 7.  
Tel: 235-05-84  
E-mail: [gvi@gvi.hu](mailto:gvi@gvi.hu)  
Internet: <http://www.gvi.hu>

Prepared by:

Krisztián Széll, analyst, MKIK GVI  
Dániel Bacsák, analyst, MKIK GVI  
Ágoston Horváth, analyst, MKIK GVI  
Katalin Tóth, analyst, MKIK GVI

Research manager:

Fruzsina Nábelek  
Managing director, MKIK GVI

In case of publication please cite as follows:

HCCI-IEER: Monthly Economic Bulletin,  
October 2020, Budapest,  
2020-11-13