The Impact of Scholarships on Student Careers: The Case of IPKO Foundation Next Generation Scholarship

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The Impact of Scholarships on Student Careers:
The Case of IPKO Foundation Next Generation Scholarship

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I. Abstract

Kosovo, a young country with a relatively high proportion of youth among its population, is in a pivotal period in which investment plays a key role. Apart from private investors, the country has been subject to the abundant inflow of financial resources from international and local organizations, including non-governmental ones or NGOs. Each with a different mission, these NGOs have sought to positively influence the economic environment in Kosovo, while some of them have continuously invested in youth through vast scholarship funds aimed at supporting students based on merit. But how effective are these funds in terms of developing the recipients’ careers?

The purpose of this project is to identify the underlying relationship in between scholarships and student careers. With a specific focus on IPKO Foundation and its so-called Next Generation Scholarship Program, this project identifies and analyzes any existing consistencies or inconsistencies in between the beneficiaries and non-beneficiaries of the aforementioned scholarship program. By investing in youth, IPKO Foundation seeks to foster a young generation of capable leaders. The project uses interviews and surveys to collect relevant data, analyze it, and come up with adequate conclusions in regards to the relationship of the scholarship with the students’ employment rates, wage rates, and cumulative grade point averages (CGPAs).

In order to improve the effects of the IPKO Foundation Next Generation Scholarship Program, a list of recommendations has been compiled which offer concrete suggestions to the current strategy of scholarships by restructuring it and modifying certain elements. This enables a better allocation of scholarship funds with a possible focus on easing other prevalent social issues.
II. Acronyms

CGPA – Cumulative Grade Point Average

ESLG – European School of Law of Governance

GDP – Gross Domestic Product

GPA – Grade Point Average

IBCM – International Business College Mitrovica

IF – IPKO Foundation

IOM – International Organization for Migration

IPKO – Internet Project Kosovo

NGO – Non-Governmental Organization

RIT/A.U.K. – American Education in Kosovo

SOK – Statistical Office of Kosovo

UBT – University for Business and Technology

UNFPA – United Nations Population Fund
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III. Problem Statement

Throughout history, education has had a substantial effect on the development of efficient methods to positively affect the economy of a particular country, region, or the aggregate economy of the whole world. Starting from the Age of Enlightenment up to the Industrial Revolution, inventions such as the steam engine, which have resulted due to advancing research methods and groundbreaking educational systems embodied with universities, have galvanized the development of countries that invested and followed the trend. Similarly, the Internet and technology-oriented developments have computerized some of the essential tasks that humanity undergoes on a daily basis, and have in turn unwrapped new fields of study. Developed countries have used these events to digitize certain sectors of the economy, thereby also profiting from the good quality of education offered in traditional universities.

A completely different situation exists in developing countries, especially those which have endured some type of crisis. An example of this is the recent war in Kosovo. The negative effect that the latter has had on the country is mostly evident on the economy and the level of illiteracy. The socio-economic and demographic survey conducted after the war in 1999, concluded that 10.2% of women over the age of 15 and 2.3% of men at the same age range were illiterate (UNFPA, SOK & IOM, 2001). The illiteracy rate was more evident in rural areas, while the trend was representative of two nationalities, pertaining to Kosovo Albanians and Kosovo Serbs. This required educational reforms which were focused entirely on the primary and secondary levels of education. Furthermore, in order to develop new ways to counter this issue, certain international and local organizations founded educational scholarship funds for either Bachelor or Master Degrees, or both, in Kosovo or abroad. Hundreds of Kosovar youngsters have profited from the astounding amount of money invested in their education, regardless of their ethnicity or other social stratifications. But what is the impact of these scholarships on the professional development of the beneficiaries? Could the investment have been more impactful and effective in another sector of the economy?

Against the following background, this Honors project studies the effect of IPKO Foundation Next Generation Scholarship Program on student careers. Specifically, the project identifies existing consistencies or inconsistencies in between the beneficiaries and non-beneficiaries. This project
also seeks to explore and offer potential improvements to the current strategy of scholarships by restructuring it, adding/removing certain elements, or potentially abolishing its implementation. As a result, this would give rise to a better allocation of funds with a possible focus on easing other social issues.

IV. Background

The development of educational opportunities throughout the world, as well as the rise in population in terms of increasing birth rates and a decreasing prevalence of epidemics and plagues common in the 20th century, has led to an increase in government and private-based expenditures on education. As of 2010, government expenditure on education, expressed in percentage points of Gross Domestic Product (GDP), in the United States mounted to 5.4%, 6.0% in the United Kingdom, 6.6% in Sweden, 5.7% in South Africa, 5.6% in Slovenia, 6.9% in Norway, 9.1% in Moldova, an astounding 12.8% in Cuba, among other states (World Bank, 2015). Hence, education has been cherished as a vital element of government programs and a key factor in winning electorate votes. According to UNESCO Institute for Statistics, the majority of the aforementioned financial investments have been directed towards the reforming of educational systems and the improvement of the infrastructure of public schools. Furthermore, in many of these developed countries, Bachelor studies both in public and private institutions are subject to scholarship funds that seek to help students develop during their academic studies. Theoretically speaking, scholarships have an extensive positive impact on students, exemplified by the following arguments (University of Hawai’i Foundation, 2015).

Firstly, on the one hand, scholarships allow students to focus more on their studies. This available time is a result of students not having to work for more than 15 hours per week to be able to finance their loans. Students are supposedly exempt of the latter by being awarded scholarships that remove the burden of work, which is sometimes referred to as an impediment to academic success. On the other hand, scholarship beneficiaries are also subject to moral hazard, an economic term that refers to the case in which an individual takes more risks as someone else, i.e. a third party, bears the burden of those specific risks. Hence, students might be more inclined to work for personal profits and aim to develop their professional careers while either still managing to keep
the same level of academic success or partially foregoing their studies in favor of more hours of work, if their marginal benefit exceed their marginal cost. This leads to a greater professional history or experience, which logically makes workers demand a higher reservation wage in future job opportunities. Since the reservation wage is dependent on the competitiveness of the market, or, in other terms, the extent to which the market is abundant, or lack thereof, with employees who match the required skillset, a scholarship beneficiary with a degree and a decent professional history might have the slight advantage over another student with only feature or the other.

Secondly, students are inclined to take a lesser amount of loans to complete their Bachelor studies. Theory suggests that scholarships decrease the average college debt, which in the United States is set at around $20,000 (University of Hawai‘i Foundation, 2015). This amount has increased by more than 50% compared to the early 90s. However, a decrease in this average applies less pressure on financially-restricted scholarship winners as their unequivocal determination to do well, exemplified by the award-winning attitude, would otherwise be potentially concentrated on developing innovative ideas that might evolve into successful businesses. Additionally, since most of scholarships do not fully cover the tuition cost of the vast majority of scholarship beneficiaries, their sole act of attaining the scholarship motivates them to find other forms of support to continue succeeding in college. An essential form of support is their ability to build a career on the strong foundations of the scholarship by either employing themselves or working on a part-time or full-time basis.

Thirdly, theory suggests that scholarship winners are more likely to pursue and successfully acquire leadership positions (Marques, 2007). These positions are in compliance with the attributes, ideas, and skills shown in the early Bachelor days, all of which have awarded specific students with hefty scholarships. Studies have suggested that scholarship beneficiaries are leaders of their respective generations and are ones who think ahead of the others and aim to master their objectives and goals. Being able to adapt to different situations and communicating well, as well as implementing accordingly, the changes necessary to succeed are characteristic attributes of leaders, hence scholarship beneficiaries. In addition, their leadership-resembling attributes also include open-mindedness, the tendency to be well-organized, consistent, and most importantly, well-educated. Consequently, the correlational dependency of leadership and scholarships is valid in both perspectives; a student with leadership skills is more likely to successfully acquire a
scholarship, while beneficiaries are more likely to exhibit leadership skills and attain relevant job positions.

Finally, the intrinsic effect of scholarships on students can also be effectively determined by analyzing students who have failed to acquire one. Theoretical review suggests that such students are reluctant to build a career early on as students, but rather focus on maintaining or improving their academic record, portrayed in the form of the grade point average (GPA), club involvement, and extracurricular activities. This may prohibit their career development, thus leaving them behind their peers in terms of professional experience. Also, students in the United States, who attend private academic institutions and have not managed to acquire any scholarship, must work at least on a part-time basis to cover their loans used to compensate the expensive tuition fees.

The aforementioned arguments have laid the foundations of the correlation, yet not causality, in between scholarships and student careers. Theory suggests that, on average, this correlation applies to the majority of countries throughout the world. Nevertheless, developing countries such as Kosovo have slightly different educational systems than developed countries such as the United States. There are both public and private universities that offer education to students, depending on the field of study of their choice. The quality of education within these universities can be argued to be similar; however, the opportunities that they offer differ extensively. Since the public University of Prishtina, Kosovo, enrolls thousands of students each year, the level of attentiveness they get differs from the privately-run universities with student bodies of less than 500 individuals. As a result, career centers cannot logistically deal with the influx of students and cannot offer services to every single student, but rather in bulks. Private universities such as the American Education in Kosovo (RIT/A.U.K.) require from students to finish 400-hour internships twice in order to get them ready for the job market. Thus, the difference in the size of student bodies might lead to misbalances, regardless of whether the student has won a scholarship or not.

The difference between developing and developed countries is also in the scholarship funds available. Scholarships are not only given by universities, but also from several Non-Governmental Organizations (NGOs) and Foundations, which invest money in the emerging generations and allow them to develop without financial restrictions. This infers that the award-winning students in a developing country such as Kosovo would have a greater autonomy to work for their own personal benefits, considering the lower tuition fees than in developed countries’
universities. This statement is supported by the fact that most NGOs give extra benefits to their beneficiaries by including them in their projects, offering them internships within the organization or in other partnering organizations, and helping them extend their academic and professional networks. An example of these NGOs in Kosovo is IPKO Foundation.

**IPKO Foundation**

IPKO (Internet Project Kosovo) was built as a social enterprise run by a Non-Governmental Organization from 1999 with money earned in Kosovo (IPKO Foundation, 2015). When the assets of IPKO were sold in 2003, the NGO retained partial ownership in the new company through shares. In 2006, these shares were sold and an endowment was created. Ever since, the strategy of IPKO Foundation (IF) focused on investing money locally in young people, local companies, local institutions, as well as aiding the attempts to find solutions to local problems.

The long-term strategy of IPKO Foundation is focused in promoting local development by improving the educational opportunities for young generations and stimulating a better welfare among the community (IPKO Foundation, 2015). IF’s strategy has had an influence on the stimulation of employment, since IF has employed local designers, developers, printing companies, and others from Kosovo in an attempt to have a larger impact on the development of the Kosovar society. Moreover, the organization implements its social responsibility strategy by building long-term partnerships with local companies and investing in the professional development of Kosovar youngsters by offering internships in several projects throughout the year.

The overarching goal of IPKO Foundation is to seed and support the development of the next generation of leaders with a digital vision for Kosovo (IPKO Foundation, 2015). Additionally, it aims to promote and support Kosovar initiatives to incorporate the use of technology and portray a digital vision for Kosovo. As stated by the organization itself, “The Foundation seeks to: publicize, reward and support innovative work from any sector which incorporates the use of technology and portrays a digital vision for Kosovo; encourage others to seek out and reward innovation which catalyzes the further development of Kosovo” (IPKO Foundation, 2015).
As an organization seeking to nurture the seeds of groundbreaking and innovative ideas, which can have a lasting positive effect on the lives of Kosovar citizens, IPKO Foundation has developed the Next Generation Scholarship Program. The goal of this program is to “help young people with creativity, drive and ground-breaking ideas by supporting their education through scholarships” (IPKO Foundation, 2015). These scholarships are given to Kosovar students who are attending their penultimate or last year of studies in a local accredited university.

Being one of the main projects of IPKO Foundation, The Next Generation Scholarship Program has positively influenced the educational development of seven generations of young leaders (IPKO Foundation, 2015). During the seven preceding years (2009-2015), 138 scholarships were given to merit students from local accredited universities, in a total amount of 317,323.00€. Moreover, for the previous academic year (2014-2015), 215 applications were received, out of which 146 were reviewed. As a result, 21 students received scholarships and entered the extensive list of beneficiaries, while the total amount granted reached 21,000€ (see figure 1).

Figure 1: Next Generation Scholarship 2014/15 statistics

In terms of municipalities, this scholarship program can be perceived as quite wide-ranging by its ability to positively affect the lives of Bachelor students from 19 municipalities or towns in Kosovo. These municipalities and towns, as well as the number of scholarship beneficiaries from each, can be seen in the following graph.
Overall, throughout the scholarship program’s history, out of 1,102 applicants, 731 of those were reviewed (IPKO Foundation, 2015). Out of the reviewed applications, the 138 winners come from various universities in Kosovo, including RIT/A.U.K., University for Business and Technology (UBT), International Business College Mitrovica (IBCM), European School of Law and Governance (ESLG), ISPE College, AAB College, Riinvest College, University of Peja, Universum College, and KSMI College, with disciplines mostly focused on Economics, Computer Science, Management, and Electrical and Computer Engineering. The scholarship also promotes gender equality as 70 of the beneficiaries were males, while 68 were female (see Graph 2).
Next Generation Scholarship is not only about financing the studies for these students (IPKO Foundation, 2015). This is a program that has built a community of youngsters with leadership skills and ones who aim to bring sustainable development and welfare in Kosovo. IPKO Foundation offers many more opportunities to its beneficiaries’ community by engaging them in different activities and projects implemented by the organization and its partners. Thus, beside tuition awards, IPKO Foundation scholarship beneficiaries gain hands-on experience in different programs and network with business leaders and innovators from around the world, thereby enabling these youngsters to extend their network and move forward.

In order to be eligible to apply for this scholarship, students must be entering one of their final two years of study in a local university (IPKO Foundation, 2015). If a student is attending a 3-year university, s/he must be either a freshman or a sophomore at the time of application. In contrast, if s/he is attending a 4-year university, s/he must be either a sophomore or a junior. In addition, the applicant must be a citizen of the Republic of Kosovo, have a minimum grade point average (GPA) of 3.4, and study or be involved in an area where technology is visibly used and plays a key role.
If the aforementioned criteria are met, the applications are forwarded to a so-called Technical Review Committee (IPKO Foundation, 2015). This committee consists of independent, both local and international experts, and board members of IPKO Foundation, who score each application on a scale from 1 to 10. Each application is reviewed by three members of the committee, resulting in a maximum score of 30 points. In order to remove any potential bias, the review process is completely anonymous. Hence, while utilizing a customized online review system, the latter removes any identifying information in regards to every applicant before the Technical Review Committee can access the applications. This ensures that the review process remains legitimate and bias-free, and promotes equality upon evaluation of applications.

The Technical Review Committee assesses each application through the following criteria:

- Applicants must demonstrate their commitment, drive, and passion through their work or technology-oriented initiatives that they have been involved in through the past years. Examples of these initiatives include: a previous or current job, any volunteer experience, participation in relevant projects, using technology in action-oriented projects or in classrooms, organizing events, projects, or workshops, sharing tutorials on personal initiatives, maintaining a blog on any preferred topic, drafting project proposals or resolutions that aim to use technology through community projects and public policy, promoting collaborative learning by building online platforms, and other examples alike.

- Applicants must also demonstrate their potential to implement a digital vision for the future of Kosovo, expressed in terms of ideas, familiarity with technology-oriented trends, and previous activities and experiences.

After each application is scored by three reviewers, the top-ranked students are awarded with a net amount of 1,000€ until the whole allocation of the scholarship fund is exhausted. IPKO Foundation also holds the right to decide whether or not to award more students depending on the competitiveness of applications and the resulting post-review scores. Another important element of the revision process is the essay authenticity, or plagiarism, check, as well as the official confirmation of each beneficiary’s GPA, prior to summing up scores. As an organization investing
in education, the Foundation puts explicit importance in the validity of information provided. If the opposite is proven, the applicant is automatically disqualified.

Finally, the funds are preferably transferred to the beneficiary’s university bank accounts, since the transfer would be deemed tax-free, as transactions to universities’ funds are exempt from taxes. Conversely, transferring the scholarship to a specific beneficiary’s individual bank account would obligate the Foundation to pay additional expenses, funds that could have been used to fund another scholarship and another Bachelor student studying in Kosovo.

V. Methodology

This project uses research methods such as interviews and survey-based questionnaires to collect data through which the differences in between beneficiaries and non-beneficiaries of IPKO Foundation Next Generation Scholarship will be identified. It should be noted that there is a lack of similar types of projects in Kosovo, while this methodology seeks to successfully target hundreds of beneficiaries and non-beneficiaries.

The majority of academic studies on relevant topics have been focused on the extent to which the key independent variables of scholarship beneficiaries, such as wage, field of study and Grand Point Average (GPA), comply or differ with the national or regional medians. Thus, the scope of these studies have mostly included beneficiaries who were then measured and compared against past beneficiaries from similar scholarship awards. All of these studies make an important step towards defining what a specific country expects from a certain scholarship program and whether the program has managed to reiterate previous results or surpass them, or has simply deteriorated in quality terms. However, this cannot be deemed to be applicable for Kosovo. The relatively young country has not been subject to previous research studies on the effect of scholarship programs on student careers, per say. Consequently, it has been reasoned that using the very same approach, or similar research methods as studies conducted by past experts, to come up with results that are specifically applicable to Kosovo is inadequate and yields scarce and incomparable results.
Other studies would focus on the consistencies and inconsistencies of the beneficiaries within a particular scholarship program. That is, due to the extensive number of beneficiaries and their international background, researchers were able to compare the aforementioned independent variables in between certain groups of scholarship beneficiaries, e.g. beneficiaries from the United States versus beneficiaries coming from Western Europe. This was possible due to the vast number of students within the reach of that scholarship program, which is also not applicable to programs within the country of Kosovo. As a result, the methodology of this project was divided into three phases: the first phase focused on interviewing two stakeholders, i.e. past scholarship beneficiaries, in order to find the relevant background information to give way for the second phase which is represented by a thorough survey that seeks to capture the impact of the IPKO Foundation Scholarship Program on the beneficiaries’ careers. The final phase sought to receive feedback from two different stakeholders in regards to the underlying inputs that might have affected the outcomes of this project.

The first phase of this project initially focused on conducting secondary research and acquiring information on relevant studies throughout the world. In order to get a better view of the scholarship program at hand, two past scholarship beneficiaries were chosen randomly. However, the randomness of choice made sure not to take two beneficiaries from the same academic year in which they had won the scholarship, but rather from different academic years to allow for the estimation of any underlying discrepancies. This was made possible by the data available online from the organization, which are classified into specific academic years. This interview-based research method asked from interviewees to give feedback on the following aspects (see Appendix I):

- The impact of the scholarship program on their career choice and economic status
- Common perceptions of the scholarship program and their own interpretation
- Variables that they find important in terms of affecting the impact of the scholarship program

The second phase of the methodology pertains to a survey which was conducted with both beneficiaries and non-beneficiaries of the IPKO Foundation scholarship program (see Appendix
II). Brief questions were asked via telephone to determine the field of study of the respondents, their career choice, wage in net value, previous work experiences, recommendations they might have regarding the current strategy of the scholarship program, and other variables. The information provided by respondents is completely anonymous and is solely used for research purposes. The resulting outcomes were used to define consistencies and inconsistencies between the responses of beneficiaries and non-beneficiaries of the scholarship program.

Finally, the third phase of the methodology used an interview-based research method by interviewing another different stakeholder, i.e. a past beneficiary of the scholarship program from a different academic year, compared to the interviewees in the first phase. In order to come up with potential reasons for the aforementioned results, as well as suggest improvements for the program’s strategy, if necessary, the interviewee was asked to give her thoughts on the following aspects (see Appendix I):

- List some of the reasons she thinks are significant in terms of affecting the results
- Elaborate whether the results comply with her own experiences
- Suggest improvements on the scholarship program, if necessary
- Contemplate whether future scholarship funds can be used elsewhere to yield better results, if necessary

**Limitations to the Methodology**

The major limitations of the methodology used in this project come as a result of the specific focal point that it examines. Since there are no similar studies whatsoever published by experts in Kosovo, i.e. there is a lack of comparable research, the scarce resources present throughout the project have been used to the fullest to account for the major components of this topic from different perspectives. In addition, the interviewees and survey respondents may have been biased in terms of reflecting their own personal opinions that may not aid the objectivity of results. Nonetheless, be that as it may, the structure of the survey allowed to diminish the effects of this limitation as each question was posed objectively.
VI. Analysis of Results

After extensive research on the impact of IPKO Foundation Next Generation Scholarships on student careers by implementing the pre-set methodology and research techniques, results can be analyzed accordingly. Since this study focuses on a scholarship scheme and a topic that was previously disregarded in Kosovo, the project was separated into phases (see Methodology) to allow for a step-by-step analysis of each significant constraint that plays a key role in the matter in question. This section analyzes the results derived from each phase of the project.

Phase I: Interviews

During the interview-based research method, scholarship beneficiaries were asked to give their feedback, including the manner in which the scholarship that they had attained during their studies has affected their career choice, economic status, as well as potential graduate studies. In addition, these beneficiaries were asked regarding some of the variables that they find significant in terms of affecting student careers based on their own personal experience. These variables were used adequately and added to the second phase of this project.

In order to apply for IPKO Foundation Next Generation Scholarships, a student must firstly meet all criteria, but most importantly s/he must have been involved in an initiative or project that has involved the use of technology in one way or another. Hence, all scholarship beneficiaries were active citizens at the specific point in time when they attained the scholarship and potentially continued to be actively engage in multiple inherent activities. The first interviewee, who finished his undergraduate studies at the University of Prishtina and acquired this scholarship for the academic year 2012-2013, stated that the scholarship had an astounding effect on his career choice, as attaining it went beyond the financial reward. Apart from being able to finance his living in Prishtina, IPKO Foundation continuously sought for his feedback and volunteer work in the projects that it implements. Thus, the interviewee is now the organizer of BarCamp Prizren, an activity which is part of the BarCamp project financed by IPKO Foundation. He consequently continued his volunteer work and stepped it up by being actively involved in a local non-governmental organization in Prizren called “Thy,” as well as a Program Manager in another local
organization, thereby reaffirming the positive effect of the scholarship on his economic status. When asked regarding the essential factors that he finds important in terms of affecting his career as a young individual, he pointed out that the financial aspect of the scholarship was not as beneficial as the positive side effects that it produced. As an IPKO Foundation scholarship beneficiary, the interviewee was exposed to multiple opportunities including internships and job positions that were offered by the partnering organizations of IPKO Foundation within its wide network. According to him, the chance of meeting individuals from different backgrounds has positively affected his career path and has allowed him to implement a range of activities within the framework of the organizations that he currently works for.

An interesting extract from the interview is the fact that the interviewee had a completely different perception of the organization and its scholarship program, prior to applying and acquiring it. Since the scholarship program had already been ongoing for three years up to the point when he won the award, there had been potentially unreliable sources pointing out the possible bias in the selection process regarding the universities where the winners came from, regardless of the fact that statistical data show that there is an equal distribution of scholarships among major accredited universities of Kosovo. This is an important input as worthy students might have been discouraged to apply for this scholarship program, or any other existing ones in Kosovo due to the negative impressions spread through word of mouth. Nonetheless, the interviewee reflected on the aforementioned advantages of being named an IPKO Foundation scholarship beneficiary by referring to his current professional situation.

Considering the longevity of the scholarship program, another interview was held with a scholarship beneficiary coming from a different university and from a different academic year in which the scholarship had been won, specifically 2011-2012. This allowed for a diversification of the interview-based research. The second interviewee, who finished her undergraduate studies at the American Education in Kosovo (RIT/A.U.K.), referred to the scholarship as a positive stepping stone towards more academic and professional success. The second interviewee pointed out how the scholarship took the financial burden off her shoulders, as the tuition fee of the RIT/A.U.K. might be considered above the average standards of a Kosovar family. Apart from the financial aspect, similar to the first interviewee, the scholarship enabled her to focus on her undergraduate
studies and finish with a high grand point average. Consequently, she continued her Master’s studies in Belgium, while she also worked for several months in the European Parliament. The interviewee strongly believes that the impact of the scholarship program was indeed beneficial as it also served as a motivation to continue advancing academically and professionally. This is also evident in her current job position in the Ministry of Foreign Affairs of the Republic of Kosovo. Although causality in between the scholarship and her current economic/career status cannot be statistically proven, it can be argued that the scholarship has had a positive impact on the interviewee, as it has pushed her towards reaching success.

Referring back to the perception of the scholarship program posed by first interviewee, the second one purports a different perspective of the scholarship program coming from her peers. Considering the number of RIT/A.U.K. students and the number of scholarships given each year, she points out the competitiveness that existed in between her peers and their dedication towards attaining this scholarship. Therefore, the scholarship was perceived as a valuable opportunity to be grasped. The interviewee also believes that a student’s field of study plays a key role in his/her potential to attain this specific scholarship. Since IPKO Foundation’s mission is to “develop the next generation of leaders with a digital vision for Kosovo,” the probability of attaining this scholarship by students, who are involved in technology-related fields of study, is arguably higher than the one of those majoring in other concentrations (IPKO Foundation, 2015). Nevertheless, the interviewee, as an Economics student, stated that the extracurricular activities of a specific student play a much larger role as continuous involvement in projects and initiatives are important factors that benefit one’s chances of attaining similar scholarships.

Taking into account the aforementioned input by both interviewees, it can be stated that IPKO Foundation has managed to nurture young individuals with creative and ground-breaking ideas, such as ones interviewed, in an attempt to support their academic development, which is precisely the main objective of the scholarship program. However, in order to continue analyzing the impact of this scholarship program on student careers, a comparison in between the current status of beneficiaries and non-beneficiaries of IPKO Foundation Next Generation Scholarships must be made.
Phase II: Survey

The first phase of the project allowed for a better apprehension of the perception of the IPKO Foundation Next Generation Scholarships among beneficiaries, but also provided evidence to prepare a comprehensive survey that would be sent out to both beneficiaries and non-beneficiaries (see Appendix II). Although theory suggests that surveys are likely to lead to bias results, the possibility of this occurring has been reduced by surveying a relatively satisfying sample size. A hundred (100) scholarship beneficiaries out the total of 138, or approximately 72%, and 100 non-beneficiaries have been surveyed in order to define any potential differences between the responses of beneficiaries and non-beneficiaries of the scholarship program. This sample size has been surveyed by ensuring gender equality, as well as randomness in terms of randomly selecting which beneficiaries or non-beneficiaries to survey based on a simple numbering system. The results of the survey will be analyzed in categories pertaining to relevant relationships in between different variables measured.

Scholarship and Employment

In order to determine whether the IPKO Foundation Next Generation Scholarship Program has had an impact on student careers, the surveyed beneficiaries and non-beneficiaries have been asked if they are currently employed, or if they have had past work experiences in the cases of finding themselves in frictional unemployment. Out of the 100 scholarship beneficiaries surveyed, 55 of them, or 55%, are currently employed, while 45 of them, or 45%, are currently unemployed or in between jobs, as portrayed in graph 3. Out of the latter 45 unemployed scholarship beneficiaries, 41 of them, or approximately 91%, have had previous work experiences, while the remaining four (4) have admitted to dedicating their time solely for academic purposes.
The randomly chosen scholarship non-beneficiaries have similar employment results. Out of the 100 non-beneficiaries surveyed, 54% are currently employed, while 46% are not currently employed in any sector. Out of the latter number, around 54%, or 25 non-beneficiaries, admitted to have had previous work experiences. As seen in the graph above, the difference in employment is barely noticeable in between scholarship beneficiaries and non-beneficiaries; however, there is significant difference in terms of having been engaged in concrete work experiences, either through internship opportunities or part-time/full-time job positions. Since the surveys were done through telephone calls, some of the non-beneficiaries surveyed, who have not had any work experience, added that their focus is mainly directed towards attaining their undergraduate or graduate degrees. Hence, the pressure to increase their academic proficiency has left them with insufficient time for internships or job positions. Other non-beneficiaries have also admitted that they are currently unable to find job opportunities either due to the lack of job openings in the market or due to the mismatch between the skill sets offered and demanded, i.e. structural unemployment.
**Scholarship and Wage**

The previous analysis of the relationship in between the scholarship and employment requires a more detailed economic evaluation. Scholarship beneficiaries and non-beneficiaries might be employed, but what is exactly the difference in their wage rates? The frequency of these wage rates identifies the trend in which either group find themselves. Graph 4 below shows the spread of the wage rates throughout the surveyed scholarship beneficiaries.

![Graph 4: Scholarship Beneficiaries and Wage](image)

There are 8 scholarship beneficiaries with a midpoint wage of 400€, or in between 300€ and 500€, on a monthly basis, 14 beneficiaries with an average wage of 600€, 19 beneficiaries with an average wage of 800€, 4 beneficiaries for each of the three midpoint wages (1,000€, 1,200€, and 1,400€), and 2 beneficiaries with an average wage of 1,600€. The average wage rate of all employed beneficiaries (55 in total, see Scholarship and Employment) is approximately 730€.
In contrast, graph 5 below shows the wage rates of employed non-beneficiaries of the scholarship program, and the frequency of each. Survey results show that out of 100 non-beneficiaries, who have not been granted a scholarship in one of the preceding seven (7) academic years, 14 non-beneficiaries have an average monthly wage rate of 400€, 10 non-beneficiaries have a midpoint wage rate of 600€, 13 non-beneficiaries have an average wage rate of 800€, 16 non-beneficiaries earn, on average, 1,000€ per month, 1 non-beneficiary earns, on average, 1,200€ on a monthly basis, and none of the surveyed non-beneficiaries earns a wage rate of above 1,300€. The average monthly wage rate of all employed non-beneficiaries (54 in total, see Scholarship and Employment) is around 632€. In comparable terms, the average wage rate is about 100€ higher for employed beneficiaries than that of employed non-beneficiaries. A significant difference in between both groups is also evident in the proportion of wage rates equal to or below the average wage of 1,000€. Around 98% of employed non-beneficiaries fall below, or are equal to, the latter midpoint wage, while approximately 18% of employed beneficiaries earn an average wage rate that is above that of 1,000€.

![Scholarship Non-Beneficiaries and Wage](image)

Graph 5: The wage rates of employed non-beneficiaries and the frequency of each rate...
This might infer that the surveyed beneficiaries have potentially been more exposed to job opportunities due to the benefits that they receive as part of the network of IPKO Foundation. In addition, one can extrapolate that the higher average wage rate among beneficiaries is a by-product of the reduction of the financial burden. Since a third party, in this case IPKO Foundation, incurs the costs of their tuition fees, scholarship beneficiaries have evidently been more inclined to work for their own personal profits, as graph 4 shows. The higher average wage rate among beneficiaries has also been largely affected by the job positions that they currently have. Some of the job positions include Senior Program Manager, Executive Director, Web Developer, System Administrator, Project Officer, and other relatively high-in-hierarchy positions. This is one of the main factors upon which the difference in wage rates can be attributed. Therefore, it can be stated that the scholarship program has aided beneficiaries in their attempts to gain higher positions within specific organizations or companies and establish themselves higher among the pecking order.

Scholarship and Cumulative Grade Point Average

As the criteria of the IPKO Foundation Next Generation Scholarships states (see IPKO Foundation under Background), an eligible candidate must have a grade point average (GPA) of 3.4 or above. Hence, it is expected that the surveyed scholarship beneficiaries comply with this criteria. Nevertheless, the cumulative grade point average (CGPA) might differ, depending on whether the beneficiary has managed to keep the same level of standards in terms of GPA, has increased it, or has neglected his/her studies as exemplified by a lower GPA compared to the period when they attained the scholarship. As shown in graph 6 on the following page, the highest frequency of scholarship beneficiaries (23, or 23% of total surveyed beneficiaries) falls in the midpoint CGPA of 4.0, or in between the range of 3.95 and 4.0. There are 21 scholarship beneficiaries with an average CGPA of 3.9, 9 beneficiaries with a midpoint CGPA of 3.8, 13 beneficiaries with an average CGPA of 3.7, 16 beneficiaries with a midpoint of 3.6, 14 beneficiaries with an average of 3.5, and only 4 beneficiaries within the range of 3.4 and 3.45. This means that 53% of the surveyed beneficiaries have a cumulative GPA of 3.75 and higher. In addition, the average GPA among all surveyed beneficiaries is 3.73. Although they might have had similar GPAs prior to attaining the
scholarship, these results suggest that the scholarship has played a positive role as the majority of them have managed to keep high standards of GPA, thereby successfully finishing, or continuing, their undergraduate studies.

Graph 6: The Cumulative Grade Point Averages (CGPAs) of scholarship beneficiaries

Despite the fact that the GPA plays a role in the selection process, the graph also indicates that having a lower CGPA is not necessarily linked to not being able to attain the scholarship. Conversely, the scholarship is also given to students who need an incentive to continue doing well in academic terms.

The surveyed scholarship non-beneficiaries, on the other hand, have resulted in a more normally distributed graph (see graph 7). The highest frequency of scholarship non-beneficiaries (19 in total) is in between the CGPA range of 3.65 and 3.75, i.e. with a midpoint of 3.7. There are non-beneficiaries with cumulative GPAs of lower than 3.4, which suggests a potential mismatch with the scholarship program’s criteria or potential deterioration of academic results. Hence, there are 4 non-beneficiaries with a midpoint CGPA of 3.2, and 6 non-beneficiaries with an average of 3.3.
There is a much higher amount of non-beneficiaries ranging in between 3.35 and 3.45, a total of 12 compared to the previous 4 scholarship beneficiaries. CGPA midpoints of 3.5 and 3.6 comply with 15 and 17 non-beneficiaries, respectively.

Graph 7: The Cumulative Grade Point Averages (CGPAs) of non-beneficiaries

The higher cumulative grade point averages, 3.8 and 3.9, amount to 13 and 10 scholarship non-beneficiaries respectively, while only four (4) non-beneficiaries range in between 3.95 and 4.0, compared to 23 beneficiaries within the very same range. This evident difference is further backed up by the grand average of all non-beneficiaries’ CGPAs, which equals 3.57, compared to the grand average of all beneficiaries’ CGPAs, 3.73. Furthermore, 54% of the surveyed non-beneficiaries have a CGPA of 3.65 or lower, compared to 34% of beneficiaries within the same range. The relatively large difference might have been a dominant factor in terms of why the non-beneficiaries have failed to attain the scholarship. The inability to acquire it might have left some of the non-beneficiaries with a lack of incentive to do well academically.
Phase III: Interview

The third phase of the project used an interview-based research method by interviewing another past scholarship beneficiary of the IPKO Foundation Next Generation Scholarship Program, particularly a beneficiary for the academic year 2010-2011 and the Senior Program Manager of IPKO Foundation. After discussing the results derived in the second phase, the interviewee referred to the program’s continuing ability to positively affect the beneficiaries’ careers by offering them multiple employment opportunities. The interviewee believes that since the Foundation recommends its scholarship beneficiaries to various partners, who send open calls for internship and job positions, it is rather unsurprising to see them doing better than non-beneficiaries in professional terms, exemplified by the difference of around 100€ in monthly wage rates.

Furthermore, since most scholarship beneficiaries have had previous work experiences, a large contributor to this statistical advantage is IPKO Foundation itself, as it recruits its beneficiaries as interns, as well as volunteers in several projects that it implements. The interviewee affirmed that around 50% of scholarship beneficiaries have been engaged in the organization’s past activities, either as participants, volunteers, interns, or mentors. Hence, the strong relationship that IPKO Foundation builds with its scholarship beneficiaries is potentially a key factor in the success rate of their academic and professional careers.

The interviewee also claimed that the high cumulative grade point averages of the scholarship beneficiaries are expected as the scholarship criteria awards highly capable individuals, who have the potential to continue succeeding in different areas and fields of study. As a merit-based scholarship program, it puts an emphasis on the sustainability of the beneficiaries even in academic terms by providing them with the resources, both human and financial, to research topics and attend international conferences that help them acquire new knowledge and develop new skills.

When asked whether there is room to improve the current scholarship program, the interviewee acknowledged that IPKO Foundation welcomes new ideas, either from scholarship beneficiaries or from other individuals within its network, which might advance the scholarship program’s effect on young individuals. The interviewee also emphasized that the organization continues to stand by
its mission and seeks to remain one of the main contributors of the academic development of young Kosovars through its influential scholarship fund.

VII. Conclusion

The emergence of technology has not only influenced the market economy, but has also galvanized the quality of education offered in both public and private institutions. In order to promote the use of technology among younger generations, local organizations founded by internationals, such as IPKO Foundation, have invested an enormous amount of money to foster the academic development of young undergraduate students in Kosovo. Focused only on students who are currently continuing their studies towards attaining the Bachelor degree, IPKO Foundation’s Next Generation Scholarship Program has invested in 138 Kosovar students throughout the past seven (7) years. This project has studied the effect of this investment on scholarship beneficiaries’ careers, has compared it to the current status of non-beneficiaries, and has derived the following conclusions.

Firstly, although theory suggests that scholarships allow students to focus more on their studies, there are no significant differences in the level of employment among these two groups: 55% of scholarship beneficiaries have acknowledged that they are currently employed compared to 54% of non-beneficiaries (see Scholarship and Employment). However, the differences are exhibited through the leadership positions that they have acquired (Marques, 2007). Scholarship beneficiaries have reported higher job positions among different sectors of the economy. Some scholarship beneficiaries have resulted to be subject to moral hazard, as they have decided to pursue their careers while a third party, in this case IPKO Foundation, bears the cost of their studies. In addition, due to the extensive job opportunities that IF and its partners offer, the beneficiaries have managed to acquire higher job positions, potentially due to a higher reservation wage and greater experience. The latter is mostly evident on the fact that 91% of unemployed beneficiaries have had past work experiences, as compared to 54% of unemployed non-beneficiaries. Scholarship beneficiaries, who are recommended by a renowned local organization, have the reputation of capable individuals due to their ability to attain the scholarship, potentially have the required skillset, and are subject to additional job opportunities offered by IF and its
partnering organizations, might arguably have a considerable advantage over non-beneficiaries, who have not had the same opportunities available.

Secondly, theory also suggests that scholarship beneficiaries are inclined to take fewer loans to complete their studies compared to non-beneficiaries and are likely to have a better economic status. The results of both interviews and surveys show that the average wage rate on a monthly basis is around 730€ among employed scholarship beneficiaries and 632€ among employed non-beneficiaries (see Scholarship and Wage). Hence, the aforementioned difference in leadership positions, along with the financial help that they attain through the scholarship program, has granted beneficiaries with an additional 100€ per month, on average, compared to non-beneficiaries. The difference in wage rates is also evident in the distribution of beneficiaries among different wage rates. The results show that around 98% of employed non-beneficiaries fall below, or are equal to, the midpoint wage of 1,000€, while approximately 18% of employed beneficiaries earn an average wage rate that is above that of 1,000€. This dissimilarity is also supported by theoretical review, which suggests that a lower financial burden applies less pressure on scholarship winners, who can concentrate on the innovative ideas that they have used to acquire the scholarship and potentially transform them into successful businesses (University of Hawai’i Foundation, 2015).

Thirdly, even though the majority of scholarship beneficiaries are currently employed, their academic success during their studies has remained at high levels. Theory suggests that due to additional help, either in financial or academic forms, beneficiaries are inclined to have higher cumulative grade point averages (CGPAs) during their studies. As results show, beneficiaries have reported an average CGPA of 3.73, while non-beneficiaries midpoint CGPA is around 3.57 (see Scholarship and Cumulative Grade Point Average). The lower average CGPA among non-beneficiaries might have been an important factor in their failure to attain the scholarship. Furthermore, the continuous aid which beneficiaries receive from IPKO Foundation, e.g. human resources for research purposes, might have buoyed their attempts to keep high CGPAs. This is mostly reflected on the CGPA comparison in which 23 beneficiaries have a CGPA that ranges in between 3.95 and 4.0, while only 4 non-beneficiaries fall within the same range. Hence, the majority of beneficiaries have shown consistent academic results even after attaining the scholarship, which is largely reflected on the survey’s results.
Finally, it can be concluded that a positive correlation in between scholarships, specifically IPKO Foundation Next Generation Scholarship, and student careers exists. Due to greater benefits gained by the scholarship funds, in the form of financial aid based on merit, engagement in multiple projects, internship and employment opportunities, and access to extensive academic and professional networks, beneficiaries have managed to galvanize their academic and, most importantly, professional careers. The results indicate that, compared to non-beneficiaries, beneficiaries have higher leadership positions, greater average monthly rates, superior cumulative grade point averages (CGPAs) and more access to beneficial opportunities. All in all, the scholarship program has managed to positively influence and facilitate the academic and professional development of 138 young Kosovar students.

VIII. Recommendations

As this project has shown, the effect of the IPKO Foundation Next Generation Scholarship has been positive among beneficiaries. However, one can argue that the effect of this scholarship program is lower than what it could have been in quality terms, not number-wise. Therefore, this section tries to recommend improvements to the current strategy of the scholarship program and seeks to increase its effect on the quality of beneficiaries that it produces. The list of relevant recommendations that address the aforementioned objective is as follows:

- Establish an Academy, formed by all scholarship beneficiaries, which produces research studies on relevant economic, political, and social issues and organizes student-led debates to foster the academic development of other individuals as well.
- Reduce the number of scholarships given per year, thereby fostering a better qualified group of young individuals and removing any potential bias in the selection process perceived by the general public.
- Invest the remainder of the scholarship fund in concrete projects proposed by young students through the application process. This ensures a tangible implementation of those innovative ideas that result from the applications on a yearly basis.
Create partnerships with local businesses and offer job shadowing opportunities to scholarship beneficiaries, thereby granting them the chance to pursue vocational careers, an objective that falls in line with what the labor market needs.

Relate future scholarship themes with current technological trends that comply with the market situation prevalent in Kosovo at the time being.

Establish a sustainable non-financial reward system, such as participation in international conferences, debates, and extracurricular activities, which incentivizes scholarship beneficiaries to continue reaching academic success, embodied in their cumulative grade point average (CGPA).

Establish a grant system that partially finances the implementation of the scholarship beneficiaries’ ideas, e.g. start-ups, if the beneficiaries undertake such initiative within a specific period of time.

Offer some of the opportunities available, which include but are not limited to employment, internship positions, and volunteer work, to scholarship non-beneficiaries who have shown realistic potential.
IX. References


Appendix I: Interviews

- What are some of the key benefits that you have grasped from the IPKO Foundation Next Generation Scholarship?

- Mention some of the effects of the scholarship program on your career choice and economic status, if any.

- Has the scholarship aided your academic performance, exemplified by your cumulative grade point average (CGPA)?

- What was your perception of the scholarship program before applying? Has your impression changed?

- Identify some variables that you find important in terms of affecting the impact of the scholarship program.

- Have you ever been engaged in any of IPKO Foundation projects?

- Could you list some of the differences that you believe are prevalent in between scholarship beneficiaries and non-beneficiaries of IPKO Foundation Next Generation Scholarships?

- Elaborate whether the results derived from the survey comply with your experiences.

- Please suggest improvements on the scholarship program, if you deem them necessary.

- Consider whether future scholarship funds can be used elsewhere to yield better results, if necessary.
Appendix II: Survey

You are being invited to partake in a research project entitled: “The Impact of Scholarships on Student Careers - The Case of IPKO Foundation Next Generation Scholarships,” which is being conducted by Daors Sahatçiu, undergraduate student at the American Education in Kosovo (RIT/A.U.K.). This study will seek to analyze and determine the effect of IPKO Foundation Next Generation Scholarship Program on student careers with the sole purpose of identifying any existing consistencies or inconsistencies in between the beneficiaries and non-beneficiaries.

You will be asked a few questions from a prepared questionnaire, which will take around 10 minutes to complete. Please be aware that the information you provide in this survey is completely anonymous and will not be disclosed. There will be around 200 participants involved in this study. You can refuse to answer a question or stop the survey at any time.

1. What is your gender?
   a. Male
   b. Female

2. How old are you?
   a. 19 or under
   b. 20-24
   c. 25-29
   d. 30-34
   e. 35 or over

3. Where are you from?
   a. Prishtina
   b. Gjakova
   c. Peja
   d. Mitrovica
   e. Prizren
   f. Gjilan
4. Where have you finished your Bachelor studies?
   a. University of Prishtina
   b. American Education in Kosovo (RIT/A.U.K.)
   c. University for Business and Technology (UBT)
   d. International Business College Mitrovica (IBCM)
   e. European School of Law and Governance (ESLG)
   f. Other

5. In which field of study did you finish (continue) your Bachelor studies?
   a. Economics
   b. Management
   c. IT/Computer Science
   d. Media & Communications
   e. Law
   f. Medicine
   g. Other

6. What is your final cumulative Grade Point Average (GPA)?

   ____________________

7. Have you continued your Master’s studies?
   a. Yes
   b. No

8. Are you employed?
   a. Yes
   b. No

9. What is your main occupation/job position?
10. Can you disclose your current net wage?
   a) 300 – 500
   b) 500 – 700
   c) 700 – 900
   d) Above 900

11. Have you had any past work experiences?
   a. Yes
   b. No

12. Have you been an IPKO Foundation Next Generation Scholarship beneficiary? If yes, continue with question 13. If not, continue with question 14.
   a. Yes
   b. No

13. Has IPKO Foundation Next Generation Scholarship been a factor in terms of developing your career?
   a. Yes
   b. No

14. What do you think are some of the reasons for (not) winning this scholarship?
   ________________________________________________________________

15. Do you have any recommendations for improving the current strategy of the scholarship program?
   ________________________________________________________________
Appendix III: Informed Consent

Informed Consent Form for Social Science Research

American Education in Kosovo (RIT/A.U.K.)

Special Projects

Title of Project: The Impact of Scholarships on Student Careers: The Case of IPKO Foundation Next Generation Scholarship

Principal Investigator: Daors Sahatçiu, RIT/A.U.K. Honors Student

Rifat Bürxhevic 8/11

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1. Purpose of the Study: The purpose of this research study is to study the effect of IPKO Foundation Next Generation Scholarship Program on student careers with the sole purpose of identifying any existing consistencies or inconsistencies in between the beneficiaries and non-beneficiaries

2. Procedures to be followed: You will be asked to answer 10 questions during this interview.

3. Duration: It will take about 20-30 minutes to complete the interview.

4. Statement of Confidentiality: Your participation in this research is confidential. The data will be used only for evaluating this issue and will serve as part of the Special Projects course.

5. Voluntary Participation: Your decision to be in this research is voluntary. You can stop at any time. You do not have to answer any questions you do not want to answer.
You must be 18 years of age or older to take part in this research study. If you agree to take part in this research study and the information outlined above, please sign your name and indicate the date below.

You will be given a copy of this form for your records.

______________________________________________  __________________
Participant Signature                  Date

________________________________________________________________________
Person Obtaining Consent                Date