DEVELOPING STUDENTS' ECONOMIC COMPETENCIES IN AN INNOVATIVE EDUCATIONAL ENVIRONMENT

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Abstract. The rapid transformation of higher education under the influence of digitalization, globalization, and labor market changes has increased the need to develop students' economic competencies. Economic competence is no longer limited to theoretical knowledge of economic concepts; it also includes financial literacy, entrepreneurial thinking, analytical decision-making, digital data interpretation, and the ability to solve real-life economic problems. This paper examines the role of an innovative educational environment in developing students' economic competencies through digital learning tools, project-based learning, case studies, business simulations, and student-centered approaches. The study is based on a qualitative and analytical review of pedagogical theories, digital education practices, and competency-based learning models. The findings show that innovative learning environments contribute to the formation of practical economic skills by encouraging active participation, independent analysis, teamwork, and real-world problem solving. The paper concludes that the integration of digital platforms, interactive assignments, virtual business projects, and applied economic tasks can significantly improve students' readiness for professional and entrepreneurial activity.

Keywords: economic competence, innovative education, digital learning, project-based learning, case study, business simulation, financial literacy, student-centered learning, higher education, entrepreneurial thinking.

Introduction. In modern higher education, the development of students' economic competencies has become one of the most important pedagogical tasks. The contemporary labor market requires graduates who are not only knowledgeable in their professional fields but also capable of making economically sound decisions, managing resources efficiently, understanding financial processes, and adapting to rapidly changing socio-economic conditions. Therefore, economic competence should be

considered a universal component of professional training for students of different specialties.

Economic competence refers to an integrated set of knowledge, skills, attitudes, and practical abilities that enable students to understand economic processes, analyze financial situations, evaluate alternatives, make rational decisions, and participate effectively in economic and entrepreneurial activities. It includes such elements as economic literacy, financial planning, cost-benefit analysis, market understanding, entrepreneurial initiative, and digital economic analysis.

Traditional teaching methods, which are mainly based on lectures, memorization, and reproductive learning, are often insufficient for developing such complex competencies. Students need to be placed in an active learning environment where they can solve practical problems, analyze real cases, create business projects, use digital tools, and reflect on their decisions. This requirement has increased the importance of innovative educational environments.

An innovative educational environment is a learning space that combines modern pedagogical technologies, digital resources, interactive methods, flexible communication, independent learning, and practice-oriented tasks. In such an environment, students become active participants in the learning process rather than passive recipients of information. The teacher acts as a facilitator, consultant, organizer, and mentor.

The relevance of this topic is determined by several factors. First, the digital economy requires graduates who can work with data, online platforms, financial tools, and digital communication systems. Second, the development of entrepreneurial thinking among students is becoming a priority in higher education. Third, the transition to competency-based education demands new teaching models that focus on practical outcomes. Fourth, economic competence is closely related to students' ability to plan their professional future, manage personal finances, and participate in innovative projects.

The purpose of this paper is to analyze the role of digital learning tools, project-based learning, case studies, business simulations, and student-centered approaches in developing students' economic competencies in an innovative educational environment.

The main objectives of the paper are:

to define the concept and structure of students' economic competence;

to analyze the pedagogical potential of digital learning tools in economic education;

to examine the role of project-based learning and case studies in developing applied economic skills;

to evaluate the importance of business simulations and student-centered approaches;

to propose practical recommendations for improving the development of economic competencies in higher education.

Methods. This paper is based on a qualitative and analytical research design. The study uses theoretical analysis, comparative review, generalization, pedagogical interpretation, and model-building methods. The main methodological basis of the research consists of competency-based education, constructivist learning theory, student-centered pedagogy, digital learning theory, and experiential learning.

The study analyzes scientific and methodological literature related to economic competence, digital education, project-based learning, business simulations, and innovative pedagogy. Particular attention is paid to the relationship between teaching methods and the development of practical economic skills.

The following analytical criteria were used in the study:

Criterion	Description
Economic knowledge	Understanding of basic economic concepts, processes, and categories
Financial literacy	Ability to plan budgets, calculate costs, analyze income and expenses

Analytical thinking	Ability to interpret data, compare alternatives, and make conclusions
Entrepreneurial thinking	Ability to generate business ideas, assess risks, and plan projects
Digital skills	Ability to use digital platforms, spreadsheets, online tools, and data visualization
Decision-making	Ability to choose economically effective solutions in practical situations
Teamwork	Ability to cooperate in business projects and group tasks

The paper also uses a conceptual model of economic competence development. According to this model, students' economic competencies are formed through the interaction of five pedagogical components: digital learning tools, project-based learning, case studies, business simulations, and student-centered learning.

The research does not present the results of a large-scale empirical experiment but provides an analytical and methodological framework that can be used in future pedagogical research and practical teaching.

The structure of students' economic competence. The analysis shows that students' economic competence is a multidimensional phenomenon. It cannot be reduced only to knowledge of economics as an academic subject. It includes theoretical, practical, digital, communicative, and reflective components.

The theoretical component includes knowledge of basic economic concepts such as demand, supply, price, market, cost, profit, income, investment, budget, and competition. This knowledge provides the foundation for further practical activity.

The practical component includes the ability to solve economic problems, calculate expenses, compare alternatives, create a simple business plan, and evaluate economic efficiency. This component is especially important because students must be able to apply economic knowledge in real-life situations.

The digital component is becoming increasingly important in the context of digital transformation. Students should be able to use spreadsheets, online calculators, digital platforms, databases, and visualization tools to analyze economic information.

The entrepreneurial component includes initiative, creativity, risk assessment, business planning, market analysis, and project development. This component prepares students for independent professional and entrepreneurial activity.

The communicative component includes the ability to present economic ideas, defend a project, participate in group discussions, and work in a team. In the modern economy, communication skills are closely connected with economic success.

Thus, economic competence is formed when theoretical knowledge is connected with practical activity, digital tools, teamwork, and independent decision-making.

Digital learning tools in developing economic competencies. Digital learning tools play a significant role in the development of students' economic competencies. Learning management systems such as Moodle, Google Classroom, Microsoft Teams, and other platforms allow teachers to organize learning materials, assignments, tests, discussions, and feedback in one digital environment.

Digital tools help students learn at their own pace, repeat difficult topics, complete interactive assignments, and receive immediate feedback. For example, electronic tests can be used not only to check theoretical knowledge but also to assess students' ability to solve economic problems. Online forms and quizzes make it possible to diagnose students' understanding of financial concepts, budgeting, and economic decision-making.

Spreadsheets such as Microsoft Excel and Google Sheets are especially useful for developing economic competence. They allow students to calculate income, expenses, profit, cost price, loan payments, investment returns, and financial indicators. By using tables, formulas, charts, and diagrams, students learn to work with numerical data and make evidence-based decisions.

Digital visualization tools also help students understand economic processes more clearly. Charts, infographics, dashboards, and diagrams make abstract economic concepts more visible and accessible. For example, students can compare the profitability of different business ideas or visualize household budget distribution.

Artificial intelligence tools may also support economic learning. They can help students generate business ideas, structure financial plans, analyze economic texts, create questions, and develop project drafts. However, the use of artificial intelligence should be guided by academic integrity, independent thinking, and critical evaluation.

Therefore, digital tools increase the effectiveness of economic competence development by making learning more interactive, practical, measurable, and student-oriented.

Project-based learning and economic competence. Project-based learning is one of the most effective methods for developing students' economic competencies. In project-based learning, students work on a practical task over a certain period of time and produce a concrete result, such as a business plan, economic analysis, financial model, or social entrepreneurship project.

For example, students may be asked to develop a virtual business project. They choose a business idea, identify target customers, analyze market demand, calculate initial costs, estimate income, assess risks, and prepare a presentation. This type of assignment helps students develop several competencies at the same time: economic analysis, financial planning, teamwork, communication, creativity, and responsibility.

Project-based learning is particularly effective because it connects theory with practice. Students do not simply memorize economic terms; they use them to solve real or simulated problems. They also learn how economic decisions depend on available resources, market conditions, risks, and consumer behavior.

A possible structure of a student business project may include the following stages:

Stage	Student Activity

1	Choosing a business idea
2	Identifying the target market
3	Calculating initial costs
4	Estimating expected income
5	Analyzing risks
6	Preparing a financial plan
7	Creating a digital presentation
8	Defending the project
9	Receiving feedback
10	Revising the project

This process helps students understand that economic competence is not only knowledge but also the ability to act, analyze, cooperate, and make decisions.

Case studies as a tool for applied economic thinking. Case studies are another important method for developing students' economic competencies. A case study is a real or realistic situation that requires analysis, discussion, and decision-making. In economic education, case studies may include problems related to family budgeting, business development, resource allocation, inflation, employment, pricing, taxation, or investment.

The main advantage of case studies is that they develop analytical and critical thinking. Students must understand the problem, identify key factors, compare different solutions, and justify their choice. This process is very close to real economic decision-making.

For example, students may be given a case in which a small company has limited financial resources and must choose between investing in advertising, purchasing equipment, or hiring new employees. Students analyze the possible consequences of each option and propose the most effective solution.

Case studies also develop communication skills because students usually discuss them in pairs or groups. They learn to express their opinions, listen to others, defend arguments, and reach a common decision.

In an innovative educational environment, case studies can be combined with digital tools. Students can use online documents, spreadsheets, diagrams, and presentation software to analyze the case and present their conclusions.

Business simulations and experiential learning. Business simulations create a learning environment that imitates real economic activity. In such simulations, students make business decisions and observe the consequences of these decisions. They may manage a virtual company, distribute resources, set prices, analyze demand, invest capital, or compete with other student teams.

Business simulations are effective because they allow students to learn through experience. Mistakes made in simulation do not create real financial losses, but they provide valuable learning outcomes. Students begin to understand the relationship between decisions and economic results.

For example, in a market simulation, one group of students may produce goods, another group may act as consumers, and another may represent investors or regulators. Students learn how price, demand, supply, competition, and profit interact in a market system.

Business simulations develop the following skills:

- ✓ economic forecasting;
- ✓ strategic planning;
- ✓ risk assessment;
- ✓ team decision-making;
- ✓ financial calculation;
- ✓ market analysis;
- ✓ adaptability;
- ✓ leadership.

Simulations also increase student motivation. Since the learning process becomes close to a game or real competition, students participate more actively and emotionally.

Student-centered approaches. Student-centered learning is a key principle of innovative education. In this approach, students are active participants in learning, while the teacher organizes, guides, and supports their activity. Student-centered learning is highly relevant for developing economic competencies because economic decision-making requires independence, responsibility, and critical thinking.

In a student-centered environment, students are encouraged to ask questions, solve problems, make choices, work in groups, and reflect on their progress. They are not only evaluated by final results but also by participation, creativity, analytical thinking, and improvement.

Student-centered approaches may include:

individual learning paths;

group projects;

peer assessment;

problem-based learning;

interactive discussions;

reflective journals;

independent research;

digital portfolios.

These methods help students become responsible for their own learning. As a result, they develop not only economic knowledge but also self-management, initiative, and lifelong learning skills.

Comparative Pedagogical Effectiveness

Theoretical analysis allows us to compare traditional and innovative approaches to economic competence development.

Learning approach	Main feature	Expected result

Traditional lecture	Teacher explains economic concepts	Students remember information
Digital learning	Students use platforms and tools	Students analyze and practice
Project-based learning	Students create economic projects	Students develop applied competence
Case study	Students solve practical situations	Students develop decision-making skills
Business simulation	Students imitate economic activity	Students experience economic processes
Student-centered learning	Students actively participate	Students develop independence and responsibility

This comparison shows that innovative methods provide broader opportunities for developing economic competencies. Traditional lectures may remain useful for explaining theoretical concepts, but they should be combined with active, digital, and practice-oriented methods.

Conclusion. The development of students' economic competencies is an essential task of modern higher education. In the context of digital transformation and economic modernization, students need not only theoretical economic knowledge but also practical skills, financial literacy, entrepreneurial thinking, digital analysis abilities, and decision-making competence.

The study shows that an innovative educational environment creates favorable conditions for developing these competencies. Digital learning tools support interactive learning, quick feedback, data analysis, and independent work. Project-based learning helps students apply economic knowledge in practical tasks and develop business thinking. Case studies encourage analytical reasoning and problem-solving. Business simulations provide experiential learning and allow students to understand the

consequences of economic decisions. Student-centered approaches develop responsibility, creativity, communication, and independent thinking.

The findings indicate that the most effective model is an integrated approach in which digital tools, projects, cases, simulations, and student-centered methods are used together. Such a model transforms economic education from passive knowledge transmission into active competence development.

For higher education institutions, it is recommended to design courses that include digital economic tasks, virtual business projects, case-based discussions, and practical financial analysis. Teachers should also develop their digital pedagogical competence and create assessment criteria that measure not only knowledge but also practical economic skills.

In conclusion, developing students' economic competencies in an innovative educational environment is a necessary condition for preparing competitive, responsible, and economically literate graduates who are ready to participate effectively in modern professional, social, and entrepreneurial life.

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