

# The Role of Universities in Regional Development

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## Research Project Report

### Executive Summary

*(full text available only in Georgian)*

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As research in education shows, except for traditional functions, higher education institutions should also have a third important mission - to contribute to the economic, social and cultural development of the community, in which the universities are located.

This report analyzes the specificity, the challenges and the possibilities of the "third mission" of higher education institutions in Georgia on the example of the regional universities in two regions - Adjara and Imereti. The report is the first attempt to study the issue in Georgia - its main focus is to offer consolidated vision of "third mission" of higher education as seen by different stakeholders (central and local governance, higher education institutions and other important actors involved in the formation and implementation of regional development policies). It offers the analysis of the established policies and on the implementation of this policy as perceived by the main stakeholders.

The findings are based on the qualitative research in two target regions. Representatives of local self-government, non-governmental and international organizations, management of higher education institutions participated in the study. In-depth interviews were also conducted with the Ministry of Education and Science of Georgia, the Ministry of Regional Development of Georgian and other agencies of the central Government.

The issue of the involvement of HEIs in regional development is discussed from three perspectives: policy (policy documents), ideas about the implementation (opinion of stakeholders) and implementation (operational) level.

- **Main findings**

- **The role of a higher education institution in strategic documents of regional development is narrowly defined and is only limited to preparation of appropriate human resources for the job market. Although strategic aims for regional development require intensive research in many directions, the regional HEIs are not considered to be important actors in these areas.**
- **Local self-government representatives in most cases consider HEIs as beneficiaries of development programs and not partners. Furthermore there are no agreed strategies in the central and regional management structures in terms of co-ordinating networking of activities for development of the region. The Ministry of Regional Development considers defining the role of universities in the regional development strategies as a matter of local self-governance, and local self-governance does not any particular have the vision in this regard, because the management of higher education system is considered to be the prerogative of the Ministry of Education and Sciences of Georgia, organized centrally. The Ministry of Economy is considered as an agency responsible for the innovations.**
- **The model of the management regarding the distribution and management of the resources involved in the regional development is rather complex. In this management model the role of each of the agencies (sector ministries, the Ministry of Regional Development, Local Self-Government) is not clearly defined. The lack of information in the HEIs about the documents concerning the regional development policies is also apparent.**
- **In terms of workforce formation, stakeholders think that universities are facing some challenges - in particular they have difficulties in preparing workforce with broad and complex knowledge in the priority fields especially for the managerial positions.**
- **Another challenge to the HEIs is to improve human resources in information technology, such as the introduction of electronic management systems, introduction of GIS systems, etc.**
- **Actors from outside of academia involved in the research believe that the HEIs are not proactively working with employers in terms of involving them in training staff and shaping programs accordingly. Career development centers are weak in higher education institutions. In addition, the**

HEIs are not effectively involved in the life-long learning process and in retraining of existing staff. The component of the placement and practice needs to be refined. In particular, the evaluation of the results and of the process of the practice/placement should support the development of training programs.

- Despite the fact that certain areas and fields are clearly a priority in the target regions, the number of applicants in corresponding fields remains small.
- Cooperation in research or for consultation with the HEIs is at the individual level and not at the institutional level. Respondents name several important reasons, the most important of which is the lack of organizational commitment for implementation of projects based on collaboration.
- For more efficient cooperation in regional development, the HEIs have to position more actively and find a niche, be actively involved in distribution of information and should improve internal organizational processes important for cooperation.
- The HEIs believe that in order to implement an effective model of linking of HEIs with innovation systems in regions, it is important to establish trust in universities. This will in turn increase the absorption capacity of the university product in business structures and state agencies.
- In the opinion of the HEIs, one of the most important challenges is to increase the competence of academic personnel and administration in information technology and knowledge of foreign languages.
- Regional HEIs also believe that the development of the academia in the regions is hindered by the ineffective cooperation in knowledge diffusion, lack of networking - the lack of joint programs and joint research projects.
- The development of quality management systems for research and learning (which is a new requirement for authorization), fight against plagiarism and the management of research process are interesting trends in cooperation with central universities in organizational development.
- Regional universities, as well as non-state actors involved in this research (international organizations and non-governmental organizations), think that there is no clear state policy about the future role of HEIs in regions.

#### **Recommendations:**

In order to increase the participation of HEIs in regional development programs, several steps will be necessary. Policy instruments and interventions for increased involvement can be arranged into three large groups: 1. Creation of stimulating funding schemes; 2. Encouraging networking; And 3. Offering technical assistance.

1. Based on international practice and on respondents' opinions, interesting approaches to the development of financing packages can be:

A. Diversified funding for the formation of different missions of HEIs. This can be: (i) funding of outcomes oriented research. This could be analogous of the model practiced in the United Kingdom, where 7 research councils decide on funding; (ii) Funding for research with commercial results as well as (iii) participation in regional / local development.

B. Balance funding for development of regional universities

Balancing funding in Georgia can be offered to new universities and for directions, for more specialized and narrow profile HEIs, as well as to set up / retain low capacity (small number of students) directions in the regions in priority fields.

1. It is also important to establish networks among the HEIs for efficient sharing of knowledge and experience. For example: a. Promoting establishment of regional HEI associations; Or (b) creating the urban/rural development programs in which central universities will also participate in regional universities.

2. The State shall support access to technical assistance programs for universities, counseling in organizational development and intellectual property issues. In this regard, it is also important to set up consultative programs for HEIs regarding new standards of authorization by the National Center for Quality Enhancement.

Other important strategies for increasing the role of HEIs in the development of the region can be the following:

- Increasing the role of the Rector's Council on important policy development, such as the formation of clusters answering regional needs as well considering university participation in regional development, creation of concepts for diversified packages and financing lines for the increased participation of HEIs in regional development, for enabling different platforms and formats of negotiations with other sectors (Lease management, business) and alike.
- Increasing the awareness of HEIs' Third Mission in the programs of Shota Rustaveli National Science Foundation, promoting the cooperation of regional HEIs with the HEIs in the capital, supporting networking.
- To encourage involvement of the local resources in regulations on providing international expertise;
- Improve mechanisms for inter-agency coordination in the development of the region.

Respondents believe that in Georgia, as well as in many European countries (regardless of different models of the governance), the role of central government in this respect is key. In Georgia, the precondition for effective regional development is a well-coordinated and clear state policy.