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The International Institute for Education  
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## Strategic Development of Higher Education and Science in Georgia

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Tempus



OPEN SOCIETY  
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HESP ACADEMIC FELLOWSHIP PROGRAM

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## Introduction

High quality higher education is an essential factor for building a contemporary, competitive and fair state. Georgia's further development heavily depends on easy access to high quality education.

Starting in 2004, a systematic reform of the higher education system began so that Georgia's higher education system could dismantle the remains of the old Soviet-type system, as well as begin integrating itself into the European space. Despite the results achieved higher education reforms have remained an issue for almost ten years. However, before launching a new wave of the reforms, it is important to evaluate and analyze the changes that have been made to the system, identify the strengths and weaknesses of the current situation, as well as determine the involvement and participation of all interested parties. Any reform should be preceded by evidence-based reform policy.

Recent events have shown that the absence of a clear vision and a lack of coordination of the reform processes pose a serious threat to the achievement of sustainable results. Constant changes in legislation and staff of the managing structures (from December 2004 through October 2013, about 500 amendments were made to the Law of Georgia on Higher Education; in the same time period, 8 Ministers of Education and Science and 5 Directors of the National Centre for Educational Quality Enhancement were changed) demonstrated that more immediate political interests outweighed the priorities of the system's development, which in turn caused dissatisfaction among both students and faculty.

Societal involvement and a consensus-based agreement on general principles are of vital importance for the development of Georgia's higher education system. The current top-down approach should be challenged by stakeholder initiatives. Therefore, the active participation of academic, professional and civil society in the reform processes and creation of a platform for multilateral dialogue pertaining to these issues is essential.

To this end, in June 2013, a group of non-governmental and international organizations gathered and set a goal to support state structures that mobilized the general public and interested groups to participate in the process of identifying the country's strategic directions for higher education and science. The goal also entailed developing a strategic plan for the transformation of the sector on the one hand, and evaluating and analyzing the strengths and weaknesses of the higher education system's current situation, on the other.

The goals were realized within the project "Strategic Development of Higher Education and Science in Georgia – Creating a Platform for Supporting the Reform Implementation", which was funded by the Open Society Georgia Foundation.

The following organizations participated in the project:

- International Institute for Education Policy, Planning and Management
- Center for Social Sciences
- Center for International Education
- Academic Fellowship Regional Programme of Open Society Foundations
- National TEMPUS Office

In addition to the situation analysis, the project also encompasses:

- Supporting the development of practical mechanisms for the implementation of a new concept of higher education and science reform
- Maximal involvement of interested groups, civil and professional societies in the reform processes
- Initiating public debates and discussions on the directions of the strategic development of higher education and research in Georgia

Within the framework of the Project, the existing expert potential in Georgian higher education and science was mobilized. The experts began working on the identification of development tendencies of Georgia's higher education and research. In particular, thematic task groups prepared policy documents (Annex I) in the following strategic directions:

- University Autonomy and Academic Freedom (T. Zaalishvili)
- Funding and Financial Management of Higher Education and Research (L. Chakhaia)
- Integration of Teaching and Research (L. Bakradze)
- Higher Education and Employment (T. Bregvadze)
- Quality Assurance (I. Darchia)

The research methodology of all five strategic directions contained the following components:

- Situation analysis based on desk studies and secondary data (the overall list of literature comprises more than 192 references, including legislative and legal acts of Georgia and other states, as well as outcomes of the relevant local and international studies).
- Analysis of the current legislative framework. Identification of laws and legal acts and their compliance with international standards and experience relevant for Georgia.
- In-depth interviews with decisionmakers, representatives of academic circles, field experts and members of the higher education and science reform state committee (total of 13 interviews; Annex II).
- Focus groups with students, representatives of higher educational institutions and authorization/accreditation experts (Annex III).
- Sharing international experience; studying experiences of countries and regions similar to Georgia
- Development of conclusions and recommendations for relevant changes in the law and relevant framework documents.

**The present document is not a reform plan, but a current situation analysis of the country that should be used as a baseline for the development of a further strategy.**

## I. Analysis of the Existing Situation

### *1.1 University Autonomy and Academic Freedom*

The 2007 Lisbon Declaration of the Association of Europe's Universities defines four main dimensions of autonomy: 1. organizational autonomy; 2. financial autonomy; 3. staffing autonomy; 4. academic autonomy. Therefore, it is recommended to perform a comparative analysis of the autonomy of Georgian universities and define strategic (long, medium/short term) goals and objectives in accordance with these four dimensions.

In the case of *organizational autonomy*, according to legislation universities have a high level of autonomy. Universities may elect a rector (that is also regarded as one of the essential guarantees of academic freedom), define the criteria for selecting a rector, define the terms of office and dismissal policy, as well as determine the authority of academic structures. Universities are also allowed to establish entrepreneurial and non-commercial legal entities. Universities established as LEPLs are exceptions in this respect, however. The weakness of the organizational autonomy of universities is that universities are limited when it comes to involving external members in their governing bodies (e.g. the Academic Council).

Realistically, being able to elect a rector cannot guarantee effective self-governance within a university. In fact, the process of electing a rector is actually a process of appointment. University independence in terms of establishing academic structures often serves as an instrument of political and private interests because of poor strategic planning and a lack of accountability. As a matter of fact, the dual form of government is only formal and universities still operate under authoritative control.

In the case of *financial autonomy*, universities (despite their organizational-legal forms) enjoy a high level of autonomy only in terms of sustainability of public funding surpluses and borrowing money (except LEPLs). The right to independently make a decision on tuition fee rates is limited in the case of state universities, while private universities enjoy unlimited authority in this respect. The existing rules of defining tuition fees and state funding cannot guarantee result-oriented university performance. Legal provisions (making it a necessity to conform with the Ministries) regarding real estate also diminish university autonomy; however, considering the experience and high level financial autonomy of European universities, the latter regulation cannot be estimated as a significant restriction of autonomy.

The risks associated with the mechanisms of obtaining state grants are also worthy of discussion. The model of Unified Entry Examinations (universities cannot select students independently; the process is completely out of their influence) contradicts the principle of university autonomy. Additionally, state funding for certain academic fields in universities is also risky without developing common rules and calculating probable outcomes.

Apart from limiting autonomy, the voucher system for funding state and private universities also hinders free competition in higher education.

In the case of *staffing autonomy*, universities have a high level of autonomy in terms of selecting, dismissing and promoting of both academic and administrative personnel, as well as in terms of defining their salaries (except in the case of administrative positions of state higher educational institutions, the requirements for which are legally defined). However, the expanded rights of universities are often ineffective and unfair. This process is supported by specific regulations developed by universities for handling competition over academic positions in which they cannot guarantee adherence to requirements set by the law. In particular, the law requires: “[a] higher educational institution should provide... equal treatment for all, regardless of one’s ethnic or social origin, gender, political or religious beliefs, etc; ...the principles of transparency, equal and fair competition in higher educational institution.” All of the abovementioned factors affect the quality of academic programs negatively, and ultimately significantly diminish the guarantee of obtaining a high quality education.

In the case of *academic autonomy*, university independence (both, state and private) is significantly limited in terms of determining the language of instruction, quantity of students, criteria for selecting applicants (at the undergraduate level, for pre-diploma medical doctor/dentistry accredited academic programs and teacher preparation programs) and evaluation of these criteria. Furthermore, higher education institutes do not even possess the authority to evaluate applicants (by arranging examinations). All of the abovementioned factors contradict the principle of autonomy and create a number of risks that should be anticipated for the sake of result-oriented development. The current mechanism of authorization/accreditation is not a quality assurance mechanism; rather it is a mechanism to enable for governmental influence on university activities. In these circumstances, it is essential to point out that the existing legislation does not provide any option for universities to independently choose an international quality assurance agency.

Legislation does not provide an accountability system (with the exception of annual self-evaluation for authorization and accreditation). Therefore, universities do not feel accountable to the public (university society). In a number of spheres this situation contains risks although it grants universities high levels of autonomy.

The current edition of the Constitution is very general and does not directly stress the importance of university autonomy and academic freedom, while the provisions of the law provide high guarantees for realization of autonomy and freedom.

In order to guarantee academic freedom, the law defines only a general framework for university self-governance, and the responsibility of forming an effective system of self-government is delegated to universities. However, this authority is not regulated effectively. Furthermore, under an authoritative government, university management by university society is, realistically, very limited.

The guarantee for the realization of academic freedom is neither provided by tenure nor by any other similar mechanisms.

## ***1.2 Funding and Financial Management of Higher Education and Research***

The funding system of higher educational institutions was significantly changed in 2004, replacing direct funding with student-related funding. This replacement aimed to eliminate corrupt practices in university admission processes and the distribution and management of state funding.

The state eventually minimized direct funding, practically completely replacing it with a student-related funding system. Despite the seeming similarities to European practices, where the main component of university funding is the quantity of students, this system is still significantly different. First of all, the amount given to a student by the state only covers the tuition fee. Second, state funding does not depend on the actual quantity of students but rather on the quantity of students that are successful in the National Entry Examinations. Other students have to cover tuition fees on their own.

At the moment, the Georgian higher education system is one of the least state-dependant systems in the region and in the world. If one takes the scarcity of state funding into account, the difficulty of the situation becomes obvious.

Compared to other priority budget sectors, since the early 2000s, state funding for higher education in Georgia has increased the least. The dynamics of higher education and research funding shows that the share of total funding slightly increased from 2000 to 2005, but has again declined in recent years. The decrease in research funding was particularly significant. According to data, between 2005 and 2011, the percentage of research funding in terms of GDP decreased by twice its original amount.

Similar to other post-Soviet countries, an unprecedented privatization of higher education funding took place in Georgia as well. The share of private funding is high in both state and private universities. The majority of students cover tuition fees themselves in both state and private universities. 64% of students completely pay for their own tuition fees, 49% of which attend state universities; the other 15% attend private universities. However, taking into account that about another 25% of students partially cover their tuition fees, one can see that among the post-Soviet countries, Georgia has the highest indicator of students paying their own tuition fees.

Such a scarcity of state funding may negatively affect the accessibility of higher education, as well its quality. The lack of funding prevents universities from improving education quality, considering that the already scarce resources are mainly used to cover personnel salaries and other ongoing expenses. As for accessibility, the burden of financing higher education in Georgia mostly falls on private individuals - students and their

families. Under these circumstances, it is likely that the current system of student funding provides funding for better-off students.

As for funding based on social needs, according to the Law on Higher Education, between 6-10% of all scholarships are allocated for this purpose. This funding is available to the children of victims of war, students living in occupied territories, the inhabitants of highlands and ecological migration zones, etc. It should be noted that the number of students in each of these categories is defined, and according to the regulations, in the case of heavy competition in any of these categories, the funding is still allocated on a meritocratic basis. For example, in the academic year of 2012-2013, a total of 488 students would be funded completely or partially.

As analysis of the results of the National Entry Examination shows, the highest grades are received by applicants residing in Tbilisi, followed by residents of other cities, and lastly by residents of small towns and villages. The funding is allocated accordingly.

The main mechanism of student funding in Georgia is the amount of fee defined for one student. The majority of funding is allocated using a meritocratic system based on the results of National Entry Examinations.

Currently, about 25% of the relevant age groups are receiving higher education. Analysis of households shows that various groups of the population significantly differ from each other in terms of the involvement indicator. The involvement indicator strongly depends on the economic situation of families, region, place of residence and ethnic origin.

Taking into account the scarcity of funding, it is essential to obtain research grants to carry out university research. The main method of acquiring funding for research from the state is through grant competitions of the legal entity of public law –the National Science Foundation of the Ministry of Education and Science.

Grant competitions are conducted by the National Science Foundation in a centralized manner, through an independent scientific board and, therefore, guarantee transparency and fairness. However, the negative effect of this process is that higher education and research institutions have to alter their research interests and align them with the Foundation's priorities and objectives in order to obtain funding for research.

### ***1.3 Integration of Teaching and Research***

The introduction of research projects to the first and second educational levels, as well as the introduction of doctoral studies by the Law of Georgia on Higher Education, created a legal basis for the convergence of higher education and science. Doctoral studies became a strong junction between higher education and research and a major prerequisite for realization of the Humboldt idea. The link between a PhD student and education and science is reflected in his/her dual status as a student and junior researcher.



The Berlin Summit of 2003, dedicated to the Bologna Process, recognized doctoral studies as the third level of the higher education system. Within this process, the Salzburg principles and recommendations of reforming PhD studies were developed in 2005 and 2010; however, these principles are only partially implemented in the Georgian reality.

In particular:

Certain steps were made with respect to flexible structure and diversity. The law does not restrict the establishment of academic and other structural units that can be formed as graduate schools or multi/interdisciplinary doctoral centres. The law also allows the formation of university/interdisciplinary doctoral defense boards; development of joint programs is also possible. However, the mobility of PhD students within exchange and/or joint programs is regulated by legal acts in a manner that seriously obstructs internationalization.

Accreditation standards of PhD programs do not reflect the Salzburg principles. The current standard does not show any links between the preparation of PhD students and science. Furthermore, the accreditation principles for PhD programs are the same as for the first and second levels of higher education. PhD program accreditation does not consider research going on within the university in which student could participate. The majority of higher educational institutions easily introduced a third level of education, unusual for them, in order to get the status of university. Nowadays, university status does not guarantee the existence of scientific research, and doctoral studies are rarely implemented within the funded scientific-research programs.

At the same time, the law forbids professional (i.e. practice-oriented) doctoral studies. Different from the practice of the developed countries, a professional education in Georgia is regarded as a lower level education. It is impossible to impose the same criteria for theoretical and practice-oriented PhD programs (business, architecture, performing arts, etc.).

Funding of PhD studies is provided by Article 83 of the Law of Georgia on Higher education, on the basis of state research grants. Funding opportunities for PhD students were first introduced by the Ministry of Education and Science this year. Funding of PhD students is an obviously positive fact, but it should be admitted that this program does not provide fellowships, and according to the decree of the Minister of Education and Science, the money is available to students for only two years of study. The amount provided for higher education and science from the state budget in 2008-2012 reduces the amount allocated to both education and research, absolutely and relatively, while the number of PhD students increases. Compared to 2008, in 2012 their number doubled (1588 in 2008 and 3040 in 2012), while research funding with respect to GDP has decreased from 0.16% to 0.07%; the total amount for funding higher educational institutions and science has decreased from 0.28% to 0.13%. The legislation also requires the assessment of research activities. Additionally, according to the legislation, the assessment is conducted through doubled efforts:

- An Academy of Science “discusses and evaluates annual reports and finalized research activities conducted by higher educational institutions and research institutions; the Academy is authorized to withdraw any additional information from these organizations and notify them, as well as the Ministry of Education and Science and Science Development Funds about the results.”
- According to the Law of Georgia on Higher Education, professional development and research activities of academic personnel are subject to systematic evaluation by the quality assurance offices of higher educational institutions.

University quality assurance offices are primarily concerned with fulfilling the requirements of the National Centre for Education Quality Enhancement. A self-evaluation form of accreditation evaluates only academic activities of the program. Therefore, quality assurance offices conduct neither any evaluation of professors’ research activities nor that of research units.

There are no evaluation criteria or mechanisms for assessment of universities and research institutions at the state level. Some of the higher educational institutions do have a questionnaire for self-assessment of academic personnel; however, what the self-assessment results are used for is unclear.

Research funding in Georgia is allocated from the state budget via a two-level system:

- A grant competition system based on expert evaluations. The National Science Foundation was established for the purpose of allocating research grants and creating a competitive environment.
- Budgetary (basic) funding

Additionally, “...funding of ongoing research within the state assignment frameworks based on expert evaluation can also be conducted by the agreement and competition of the respective governmental structure.”

The main sources for funding science, i.e. research grants of science foundations, are very scarce (13.5 million GEL in 2012) and distributed using an egalitarian processes (e.g. 50,000 GEL for one project of fundamental research of any direction per annum).

It should be pointed out that there are no absolute and reliable statistical data concerning science in Georgia. Not only is the amount of GDP allocated to science obscure, but the exact budgetary expenses are also hard to determine after research institutions joined universities (according to data gathered in 2012, only 1.8% of the state budget and 0.5% of GDP were spent on higher education and research conducted by higher educational institutions).

Taking into account the low amount of basic funding for science, as well as outdated research infrastructure, obtaining state research grants is not only the main source of increasing income for academic personnel, but also for sustaining academic positions.

For comparison: funding for LEPL higher educational institutions and research in Georgia in 2012, which totaled 33.2 million GEL (13 million GEL for research grants + 1.59 million for basic research + 18.07 million for higher educational institutions/basic research) is about 5 times less than funding dedicated solely to research at Vrije Universiteit in Brussels (EUR 75 million) and approximately doubles the funding of one excellence cluster of the universities in Germany (6.5 million EUR).

It also should be stressed that basic funding of 19.7 million GEL for higher education and science means that science is not actually financed in the country; only GEL 13.5 million cannot sustainably support scientific advances.

Given the scarcity of financial resources, it is obvious that the indicator of publishing in international peer-reviewed journals is very low. When searching for Tbilisi/Tiflis in the Web of Science database from 1997 to 2007, a total of 10,524 articles are shown published by higher education and research institutions in all fields; Kutaisi results in 69, Batumi – 55, Gori – 13, and Telavi – 9 articles.

#### ***1.4 Higher Education and Employment***

Nowadays, information about the relationship between higher education and the labor market is very scarce in Georgia. This shortfall is primarily caused by the fact that at the national level, there is no systematic approach to analyze the relationship between the market and the education system - the necessary variables are not integrated with important instruments, such as census questionnaires and/or quarterly household surveys. There is no meaningful strategy for data compatibility and aggregation, and no authority either inside or outside of the Ministry that would be accountable for analyzing this type of data. Additionally, the information integration strategy in the formation of higher education policy is not defined.

The data on alumni and student employment and income are not collected on a systematic basis by higher educational institutions. Despite the program accreditation standard that obliges higher educational institutions to adjust their programs to labor market demands, the indicators of performance of the points relevant to the standard and the sources of verification are vague; they are not sufficiently described in details in the self-evaluation and external evaluation instruments, and therefore, do not provide for a complete and objective evaluation of an entire higher educational institution and individual programs.

Recent studies about the relationship between the labour market and higher education enable one to make some very general conclusions. These conclusions mainly coincide with the European picture and challenges:

1. According to data from 2013, higher education is a significant factor in determining the indicators of income and employment in Georgia.

- Income of an individual with higher education doubles (at the very least) that of an individual with basic education.
- Taking into account the gender, age and place of residence, the chances of an individual with higher education in terms of employment increases at least twice when compared to an individual with only basic education, while the chances of getting hired on a contractual basis increase the odds by at least five times.
- Obtaining a master's degree does not guarantee a significant increase in income, but increases the chance of getting a job by at least 70% when compared to an individual with only a bachelor's degree. Therefore, graduate studies are a means of increasing employment chances in Georgia, but not of income.
- The process of reimbursement of expenses generated from higher education in Georgia lasts approximately the same amount of time as in European countries with similar incomes.

2. The average indicator of employment income, as well as the employment indicator significantly differs according to gender and higher education.

- The probability of employment for male individuals with higher education exceeds that of female individuals with higher education at least 1.2 times. It should also be noted that the difference according to gender is calculated taking the sphere of education/specialty into account. In other words, in engineering the probability of employing a female with a bachelor's or master's degree is lower than that of males in the same field.
- Gender significantly affects income. This effect also remains when comparing individuals with education in the same field. For example, if both female and male individuals are educated in the field of business administration and have similar characteristics foreseen by the study (i.e. age, place of residence), the salary of the male individual is 176 GEL more, on average, than that of the female.
- The chances of finding employment for an individual with a diploma in exact and natural sciences are 1.3-1.4 times higher than that of an individual with a humanities-related diploma.
- The income of an individual educated in business or engineering is higher than that of an individual educated in humanities.

3. A factor hindering further growth is that while there are individuals with higher education, they do not have the particular skills and requirements the labor market needs. There is also a low indicator of self-employment.

- In Georgia, about 60% of employed individuals who have academic degrees are employed in their specialties. This means that only 25% of Georgian citizens with higher education are employed within their professions.
  - The share of individuals employed within their profession also differs significantly. The lowest indicator in these terms is in engineering.
  - It should be pointed out that employment rate within professions is higher in case of those who have master's degrees (as compared to those with bachelor's degrees). In this case, a master's level education is an instrument of professional reorientation and orientation to the needs of the market.
  - About half of the employers interviewed within the scope of various studies think that alumni competences do not meet their requirements.
  - Similar to many European countries, Georgia's share of self-employed young people with higher education is low, which prevents the creation of new jobs.
4. Higher education is a potentially effective instrument for the eradication of social inequality, although accessibility to higher education still remains limited for vulnerable groups.
- The additional (master's) level of higher education increases the chances of employment more than a socio-economic indicator of a family, such as parents' education. There are no significant differences in terms of income for individuals with higher education correlated to the parents' education.
  - Personal income of individuals with higher education does not vary in accordance with his/her family's well-being before admission to university.
  - The indicator of the poorest population's involvement in higher education is 9%, while that of the richest population is 38%. The share of young people with higher education is particularly high in the group where the older members of a family also have higher education (73%), as compared to those families where older family members only have general education (18%).

### ***1.5 Quality Assurance***

The law (2004) has defined the necessity of internal, as well as external quality assurance for higher education institutions in Georgia, which has triggered a number of positive changes despite the somewhat difficult processes it has created in some cases.

Nowadays, Georgia's system of external quality assurance comprises authorization and accreditation.

According to Georgian legislation, authorization is a “procedure of acquiring the status of a higher educational institution that aims at meeting the standards necessary to issue a document recognized by the state as a certificate of education“, while accreditation is “a procedure for determining the adequacy of the academic programs with higher education standards, which aims to establish a systematic self-evaluation for improving the quality of education, supporting the development of quality assurance; accreditation is linked to acquiring the state funding, as well as the implementation of several academic programs anticipated by the law.”

The authorization of higher educational institutions is carried out in accordance with three main standards: (1) academic programs of higher educational institutions, (2) material, and (3) human resources. Additionally, each standard consists of six sub-standards concerning: material resources necessary for academic-research activities (space, inventory, library, etc.), human resource management, academic-research processes, regulations regarding quality assurance and security, formal and content-related issues of academic programs, qualifications of academic personnel, etc.

Nowadays, in reality, authorization is not a mechanism of quality development; rather it is regarded as a punitive measure by Georgian academic society due to its excessive rigidity, varied approaches or lack of transparency in some cases.

Some experts have expressed concerns with regard to the authorization process and its content and purpose. Specifically, authorization is a mechanism through which higher educational institutions have the right to operate and award a degree recognized by the state; however, authorization does not provide the evaluation and support for the institutional development of universities (although hypothetically it is oriented on the mission of higher educational institutions), i.e. one of the main purposes of external quality assurance – stimulating institutional development – is only partially achieved.

It should be noted that some experts negatively evaluate the process of acquiring funding based on program accreditation, as this process is becoming a formality (as confirmed by statistical data) and not a quality enhancement tool. In 2011 through 2013, 1267 academic programs were granted accreditation, while 40 programs were not. The number of accredited programs (not to mention other problems related to accreditation), considering the National Centre for Educational Quality Enhancement and Georgian human resources in general, raises serious doubts about quality if one considers international experience regarding accreditation timing.

According to Georgian legislation, internal quality assurance should have the following functions on both institutional and faculty levels:

- Systematic evaluation of the quality of academic and research activities, professional development of academic staff; students should also participate in the process of evaluation of their higher

educational institution, and the results of the evaluation should be public and accessible for all interested individuals.

- Link and collaborate with foreign higher educational institutions to ensure transparent criteria and methodology of evaluation.
- Implementation of up-to-date methods for learning, teaching and assessment (modules, credit systems, etc.) and preparation of self-evaluation for authorization/accreditation processes.

In relation to the main achievements and faults of the internal quality assurance system in Georgia, the following comments can be made:

- It is important that internal quality assurance has already been established in the Georgian academic space as both a concept and a process.
- As a rule, any information regarding internal quality assurance is public and accessible for everyone via higher educational institutions webpages.
- One of the system's achievements has been the regularization of syllabi and curricula, although their constant development and harmonization (a constant internal quality assurance process of that all parties should be aware of) is still necessary.
- Requirements regarding syllabi and curricula often change; this is caused by frequent changes in the external quality assurance system (this was particularly noticeable from 2005 to 2010).
- According to some academic personnel, internal quality assurance violates their academic freedom. This should be prevented through involving all interested parties in the process of internal evaluation.
- Internal quality assurance is mainly concentrated on the formal elements of the process and evaluation of documentation; consequently it focuses less on the real outcomes, content, and process assessment.
- Student questionnaires are not always compiled by professionals and survey outcomes are not paid attention to.
- Peer-reviewing of academic personnel is not delivering individual results and is almost never used.
- Internal quality assurance mainly focuses on teaching and focuses less on research.
- Students' academic performance is not actually analyzed in the process of internal quality assurance; this aspect is an important instrument in many European countries.
- Less attention is paid to the evaluation and enhancement of academic personnel qualifications.
- The results of evaluation of teaching and research activities of academic personnel are not used in the process of academic competition.
- There is not enough cooperation with the quality assurance units of foreign higher educational institutions.
- Students and academic personnel are not sufficiently involved in the evaluation process.
- The strategy of quality assurance often exists only formally and is not implemented in reality.
- Internal quality assurance units cooperate with quality centers, however further development of this cooperation is desirable.

- Higher educational institutions spend insufficient funds on research necessary for internal quality evaluation.
- Internationalization of internal quality assurance processes is effectively not implemented.
- Often the qualifications of the staff responsible for internal quality assurance are not enough for addressing the tasks they have (this particularly concerns the knowledge of Western educational standards and contemporary tendencies of higher education development).

When discussing external quality assurance systems, it is interesting to analyze the dynamics of the numbers of authorized higher educational institutions: 119 (in 2005) – 43 (in 2010) – 64 (in 2013). The increasing tendency of authorized higher educational institutions is determined by both the higher quality of the institutions themselves, as well as by certain gaps in the evaluation process.

Trust of Georgian higher educational institutions is another problem of higher education system. One of the potential means for solving this problem is the internationalization of quality assurance processes and program accreditation, which will guarantee high quality higher education.

Therefore, the following recommendations were made with respect to quality assurance: a) formally all the requirements are met, but the activities should be analyzed according to the content and real control on quality should be imposed; b) it is necessary to increase the autonomy of universities in the process of development and implementation of quality enhancement strategies.



## II. Main Problems

The most common problems of Georgia's higher education system are the lack of vision of long-term strategic development and relevant action plan(s), frequent and immediate changes of legal acts/regulations, and the ineffectiveness of said regulations.

The problem also lies in the lack of analysis based on extensive and reliable statistical data. Therefore, the current policy of system development is fragmented and consequently less effective.


In terms of university autonomy and academic freedom, one of the main problems lies in how the law on higher education institutions created various organizational-legal types of institution. Therefore, the level of their autonomy also varies. In case of LEPLs the restrictions are broader, while private universities function in a less restrictive environment. This should be viewed as an essential barrier for free competition between universities, as well as for achieving the missions of the universities. Defining/changing the legal forms of state universities should not depend on the interests/tastes of a governing political party.

In addition to the overall scarcity of financial resources for both, teaching and research, the main disadvantage of the current funding system of higher education is its exclusive character – since the state grant covers tuition fees, an increase in the amount of state grants will result in tuition fee increases. Besides, this mechanism of funding increases the amount of vacant places in the most demanded academic programs by the universities, and simultaneously decreases the supply of less prestigious programs. Another problem created by the current funding system is related to the more privileged situation of private universities: the overall number of students receiving state funding in private universities is the same amount in state universities. Therefore, both state and private universities receive the same amount of state funding (which is proportional to the number of students). After the total removal of basic state funding, state scholarships are the only means of getting state funding. Additionally, since regulations for private higher educational institutions are different from state regulations, private higher educational institutions can define their own tuition fees, thereby enabling them to generate significantly more income than public higher education institutions.

The lack of high quality research, demonstrated by the very small number of international grants and publications, is an essential problem for doctoral studies. In turn, this problem is caused by a lack of research funding, as well as the lack of a mechanism for evaluating research potential. More specifically, the existing accreditation standards do not contribute to improving the quality of PhD programs. The situation is also complicated by the rigid legislation, which is a significant obstacle to the internationalization of doctoral education in some cases.

The absence of a real connection between the academic and employment fields is a serious problem for university graduates. Dialogue with potential employers has a more sporadic character and is mainly based on individual initiative than that of thoughtful institutional policy.

The quality assurance mechanisms of higher education are formally developed and launched, however this formality is the main problem in addition to other ones characteristic of a small country: a lack of financial and human resources necessary for objective assessment. Therefore, the internationalization of the quality assurance system is an absolutely necessary prerequisite for improving trust in the Georgian university system and for equal international cooperation.



### III. Recommendations

Based on the research results, certain recommendations were prepared within the framework of the current project that should be used as a basis for developing higher education and science policy. The policy should aim at enhancing teaching and research quality and providing guarantees for further sustainability of project outcomes. Detailed recommendations are provided in the form of expert evaluations (see Annex I).

#### Development of Higher Education and Science Policy

- It is necessary to develop a long-term strategic vision of system development and prepare an appropriate action plan(s) involving all interested parties. The strategy should define legislative changes.
- It is essential to develop a long-term strategic vision for the development of higher education and science based on the country's socio-economic development strategy, and at the same time, allocate the appropriate financial resources.
- A stable growth of higher education and science funding should be planned in correlation with GDP.
- The system of financial support for socially vulnerable groups should be improved for the realization of the principle of social justice.
- Legislation pertaining to state and private higher educational institutions should support the creation of an equal competitive environment, higher levels of autonomy and academic freedom, as well as an effective accountability system.
- In order to support the principle of the unity of teaching and research, relevant doctoral study structures (graduate/doctoral schools) should be established within universities. The scientific priorities of the country should be defined and internationalization of PhD studies should be guaranteed through a target-oriented funding system.
- The state's role in quality enhancement should be limited to the authorization process, which should only define state funding and reorganization; the program accreditation process should be the responsibility of academic societies within universities.

## Enhancement of Teaching and Research Quality

- The National Statistics Office should establish a system of statistical data collection and processing for higher education and science that would comply with the requirements of the UNESCO Institute for Statistics and the Organization for Economic Co-operation and Development.
- In order to facilitate the evaluation of research activities, a special informative system should be created that will gather information on scientific potential. In the short-run, a bibliometric evaluation should be used, while in the long-run the latter should be enriched through a system of peer-review.
- The Ministry of Education and Science should be obliged to prepare comprehensive annual evaluation documents on higher educational and scientific systems and ensure their publicity.
- Higher educational and scientific statistical data, as well as evaluation outcomes, should be reflected in the funding systems for teaching, research and quality enhancement.
- While establishing the higher education subsidy system, the system should also consider the reflective indicator pertaining to academic field. At this stage, the first objective is to create a monitoring system for collecting reflective indicators and tendencies of education in Georgia.
- It is necessary to improve the current quality assurance system for education and research. In particular:
  - Guarantee the transparency of authorization-accreditation processes, i.e. publicity and accessibility of relevant information for the Georgian and international community as well.
  - Make a step-by-step transition from a process-oriented approach to a content-oriented approach.
  - Create conditional authorization and accreditation concepts (in this case authorization-accreditation will not be regarded as a punitive instrument, and would thus enhance higher education quality).
  - Prepare clear and understandable standards and assessment indicators, as well as field characteristics for authorization-accreditation.
  - Internationalize authorization-accreditation processes – involve foreign experts in the evaluation process (to prevent a potential conflict of interests).
  - Acquire recognition of accreditation from the European Association for Quality Assurance in Higher Education and European Quality Assurance Register for Higher Education (or any other similar international organization) after performing certain procedures.
  - Enroll the National Center for Educational Quality Enhancement in relevant international organizations (ENQA, EQAR)
  - Establish a peer-review system in the academic community, which may be a long and controversial process considering Georgia's size and its ethno-psychological characteristics.
  - Internal and external quality assessment should be carried out not only in academic programs, but scientific research and the qualifications of academic staff as well.

### **Financial and Institutional Sustainability**

- The overall amount of funding for higher education and research should be increased (in the short and medium term perspective the total funding should be 1-1.2% of GDP by 2017), but 2020 research funding should only comprise 1% of Georgia's GDP. Such adjustments will seriously affect research as well as doctoral studies. The European landmark for science funding is 3% of Georgia's GDP by 2020. This number, however, is unrealistic. Not only it will be difficult to generate new knowledge, but also to sustain and transfer already-existing knowledge
- The funding mechanism for higher education and science should be changed through a step-by-step process: in the short and medium-term perspective, together with learning grants, higher educational institutions should also receive block grants calculated according to a special formula; while in the long-run the funding of higher educational institutions should totally transform to a block grant funding system. The block grant calculating system should comprise the indicators of resources and outcomes; the formula should cover components like: number of students and staff, qualifications of academic personnel, quality of academic programs, etc. The amount of research block grants should be defined by the following parameters: number of publications and conferred PhDs, participation in international research projects, and finances received from other sources. Higher educational institutions should have the authority to allocate received funding on their own.
- The amount of social grants should be increased; the system of long-term student loans with low interest rates should be established. The loans should be granted not only based on social needs, but on a meritocratic basis as well.
- The law should define the frameworks of university autonomy and determine the fundamental basis of relationships that universities should regulate using their own statutory documents. Universities should approve their charters independently.
- According to the law, the state should only have the authority to establish a university as a legal entity of public law in a way that will guarantee a high amount of autonomy of the university. The autonomy frameworks defined by the law should be equal for LEPLs and private universities, which will therefore guarantee an equal competitive environment for both types of institution. If not defined by their legal status, the relevant relations for legal entities of public law should be regulated by a separate modification to the law.
- Taking international standards and local practice into consideration, the law should regulate the basic principles regarding tenured faculty members.
- The law should regulate the list of scientific positions at universities and determine qualification requirements.