

Quality of economic education: universities and stakeholders

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Abstract. The authors believe that the interests and requirements of stakeholders allows the university to obtain a sustainable competitive advantage, to realize its social function. And also proves that the need to work with stakeholders determined by the importance of their opinions for universities, because they create public opinion, and therefore affect the quality of university graduates.

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Introduction

At present, under the current conditions of creation of an integrated common European higher education system, Kazakhstan universities are seeking new approaches to the improvement of education quality. One of the most effective ways to solve this issue will be a gradual universities' transition to the academic and managerial autonomy. Kazakhstan universities are well aware of the fact, that getting the autonomy is not only a provision of independence and collegiality in management and decision making, but, first of all, it is high responsibility before the state and society for the ensuring the quality of educational services. In this regard, the program for education development, designated by the President, may only be implemented with the active assistance of society, the general public, the professional community.

In any system there are the following types of regulation [1, 2]:

- state regulation;
- self-regulation;
- public regulation.

In the education system, state regulation is a system of sanctions on the part of state organizations to the violations of normative regulations and standards. Self - regulation is a part of multilevel control system for the activity on market of educational services, in this regard the role of Kazakhstan universities Association is increasing that is a voluntary union of participants of educational services system, acting on the basis of laws on the principles of non-profit organizations.

Public regulation shall mean the influence of society on the participants of education system through the mechanism of public mechanism. Public response often may be the reason of some regulative actions on the part of state or self – regulated organizations.

In today's complex societies, there are many individuals and organizations with different interests,

expectations, and demands with respect to corporate and public governance. These individuals and organizations have come to be known as stakeholders. [3]

In our opinion, in this situation a certain role is given to the so-called stakeholders. This notion came to the education field from the management theory and considered to be the most promising, allowing forming university development strategy with regard to the stakeholders' requirements. It is necessary to note that inter universities cooperation with stakeholders shall be not formalized, not tenuous, have clear methodological basis based on the system-structural approach.

Today, there are pretty enough number of researches made by foreign scientists that study stakeholders' theory and develop various methods of working with stakeholders. It is enough to name methods for identifying the stakeholders, their classification, informing, involvement in the planning process, mechanisms for identification and stakeholders' interests accounting and other items. For example, methods of interaction with parties concerned developed by group of Russian scientists, contains description of all stages of work with stakeholders: how to identify parties concerned of your organization, how to identify the essential issues for your stakeholders, how to define and formulate in a proper way the goals of interaction, develop the plan and schedule of interaction, determine the most appropriate for your organizations methods and forms of interaction, prepare and conduct dialogue with stakeholders, analyze the needs and expectations of stakeholders, organize feedback with stakeholders, assess performance and make necessary changes.[1]

It is important to note that in Europe the standards of interaction with stakeholders are actively developed. The most well-known is «Stakeholder Engagement Standard» (AA1000SES Standard), developed by AccountAbility Institute in 2005 [4, 5, 6, 7].

In accordance with the above mentioned standard to the university system, there should be three principles in the basis of interaction with stakeholders (refer to fig.1) [8, 9]:

- *relevance* — university should know, what the stakeholders are, as well as what its interests and interests of the stakeholders are relevant for it (significant);

- *completeness* — universities need to understand stakeholders concerns, i.e. understanding of their view, needs and expected performance results, as well as their opinions on important issues of the day;

- *response* — university should gradually respond to the substantive issues faced by stakeholders and university itself.

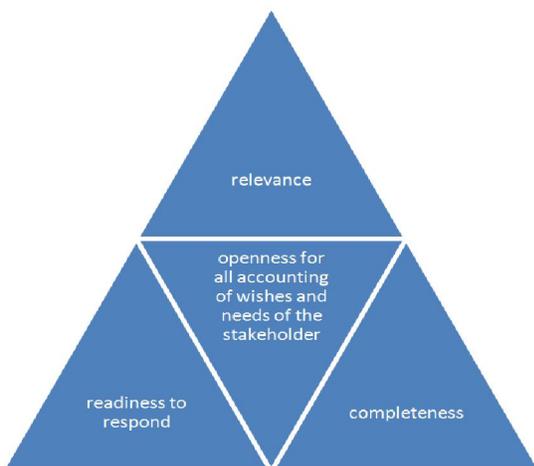


Fig. 1 Principles of interaction

The implementation of these principles is carried out in three stages:

- 1) understanding and planning,
- 2) preparation and interaction,
- 3) response and measurement, — which, in

their turn, are comprised of several elements (steps), ensuring the consistent process of planning and implementation of qualitative interaction with stakeholders. The stages and elements of interaction system between university and stakeholders are presented in fig.2.

This system should work, starting from the stage of strategic planning of university activity to monitoring and assessment of educational process.

Kokshetau state university named after Sh. Ualikhanov together with local parties concerned has developed *Model of ensuring educational services quality with participation of stakeholders* for the implementation of academic autonomy principle.

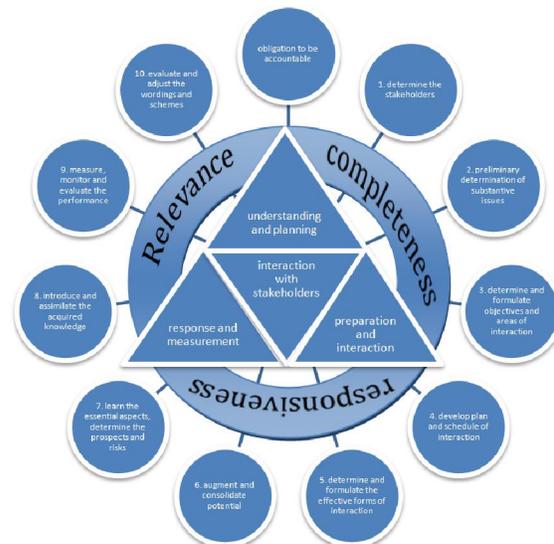


Fig. 2 the stages and elements of qualitative interaction system with stakeholders

The model has been forming on the basis of the mission and objectives of the university as the only state university in the region:

- human capital assets development in the region;
- development of the regional innovative system;
- support and development of the research activity in the region;
- formation of the regional scientific-technical policy;
- participation in the implementation of the regional programs for social and economic development of the region;
- improving the welfare and living standards in the region.

Purpose (aim): interaction with stakeholders for the effective activity of the organization, obtaining the information on the status and trends of personnel training for the needs of the region.

Methods and forms: stakeholders participation in the university activities (seminars, round tables, meetings of the education and research boards and others), value judgment on the status and prospects of ensuring educational services quality, questioning, interviewing, expertise, SWOT-analysis, forecast, strategy.

Outcome: achieving sustainable development and sustainable university activity.

Model of ensuring educational services quality with the participation of stakeholders

Stakeholders category	Involvement	Participation, role
Regional authorities (akimat, state institutions, branch departments, departments)	Interested in achieving academic growth in the region, ensuring employment, meeting the staff requirements of the region, working power	– participation in the university development strategy formation;
Employers (Guardian council, Employers association, large industrial enterprises, small and medium enterprises, social institutions, educational institutions of different kinds and types)	Interested in obtaining competent specialists	– participation in the development of educational programs, formation of professional competences of the graduates; – conducting practical training in enterprises in the framework of branch departments, testing sites; – participation in the membership of SAC, reviewing diploma/master's works; – expertise of teaching materials of subjects; – provision the conditions for internship at the enterprises; – provision of scholarships for students with their further employment;
Graduates working within their specialty (Graduates association)	Interested in professionalism upgrading, career opportunities, skills upgrading, in getting additional education («lifelong learning»)	– participation in the development of educational programs, formation of professional competences of graduates;
Other universities (foreign and domestic partner universities)	Interested in long-term international/inter university cooperation	– lecturing by leading foreign and Kazakhstani scientists; – expertise of educational programs;
Applicants and their parents	In a way of choosing the specialty and interested in obtaining the qualitative education for further employment	– the level of educational program being mastered, quality of learning, conditions of learning; – the level of educational program and the quality of educational qualifications; – the level of capitalization of educational qualifications expressed in the enhancement of personal income (salary) of a man.
Various public organizations and associations that are interested in social partnership	Interested in attracting university students and teachers to participate in various events of the city and region, using creative/sporting potential of university community	– expertise of educational programs, complexes of teaching materials of subjects; – organization of refresher courses for university teachers; – assistance in the employment of university graduates; – provision of scholarships for the best students;

The university has started a gradual work on ensuring educational services quality with the participation of stakeholders.

Thus, the representatives of the regional authorities are the members of the Guardian Council established in 2012. With the active assistance of Guardian Council at the enterprises of the state

institution «Administration of the state archives», «Softmaster» LLP, «Kokshetau Zhylu» Municipal Enterprise under akimat of Kokshetau, «Tsesnabank» JSC, «Eurasia Group» LLP, «Service centre RSM Kokshetau» LLP, «Samruk» restaurant and hotel complex, there have been established 7 branches of specialized academic departments.

Members of the Guardian council made suggestions for the content and terms of the work experience internship of students, also there is provided assistance in the employment of graduates.

The guardians are directly involved in solving social issues, financial support of the students. The banks of the city also provide assistance to the students from the low income families, there also awarded premiums for the best students of the university. One of important directions of work of Guardian Council is assistance in professional orientation work of the university, strengthening the positive image of the university in the society.

By carrying out joint activities with employers there are developed suggestions on a regular basis and determined directions for the improvement of future specialists training, resulting in the improvement of educational programs of specialties with the extension of elective universities. So, on a specialty «Accounting and audit» employers recommended students to learn the following courses - «Organizational behaviour», «IPSAS on accrual basis»; on a specialty «Finance» - «Psychology of communication», «Banking marketing», etc.

The university invites the leading specialists from the production to lecturing, holding practical trainings for the effective implementation of educational programs, as well as defines the share of the lectures to be read by these specialists. This allows you to bring the theory to practice and helps to the quick graduates' adaptation for the professional environment. Business managers from the social partners are invited as the chairmen of final academic assessment. Representatives of employers carry out management of research works of the students, and review the graduation works of the students. The reviewing of educational programs and teaching materials is also made by potential employers. Employers take an active part in the meetings of the academic departments, education boards of the faculties, where the working programs of subjects are being discussed, actively participate in the round tables organized by the university, conferences and other events. The opinion of employers in all cases was considered while developing the university development strategy. Employers formulate their needs in specialists providing with the requirements for their training. The additional adjustment of specialists training occurs during the organization of internships: the enterprise underlines the weaknesses and strengths of the students training suggesting the ways and methods of increasing the quality of students training.

One of the most popular tools for attracting the employers to the problems of youth in the labour

market have become «Youth career fair» and «Career days».

Graduates Association plays an important role in ensuring the quality of educational system with the participation of stakeholders.

In the first year or two after graduation, the university maintains close ties with graduates, since they are a reliable source of assessment of competences obtained in university. Graduates Association members actively participate in the events held by university, render assistance to the university graduates to get the job, organize seminars, regular press conferences, business meetings with graduates that achieved a significant success in economics, politics, science and other fields, thereby strengthening the positions of the university in the market of educational services.

In areas of creative activity where the evaluation of efforts and results requires major expenditures, the intrinsic motivation of agents is an important factor of efficiency. The lack of comprehensive control and detailed regulation of professorial work that traditionally characterizes the university milieu creates an atmosphere of academic freedom that is propitious to intrinsic motivation. Behavioral patterns at universities depend both on external conditions (on the education market as a whole) and on internal ones (the university's policy and the university academic environment).[10]

It should be noted that not all the positions presented in this model are implemented equivalent.

We believe that basic tools for the implementation of this model should be:

1. Monitoring and assessment of stakeholders' positions.
2. Provision of information and education of stakeholders (distribution of informational materials, public presentations, speeches on "round tables", conferences).
3. Consulting and accounting of stakeholders' positions and interests while planning the university activity.
4. Joint work on the basis of regulated agreements, contracts, active information sharing within the limits defined by the normative acts.
5. Cooperation: joint training, participation in planning, including the decision making level.

Let's note in conclusion, that all the same the absolute role in objective assessing of the quality of educational services delivery is given to the Independent accredited agencies (in Kazakhstan there are two of them). The accreditation procedure allows you to identify the strengths and weaknesses in specialists training. In the accreditation process the agencies provide methodological support that

promotes improving of the quality of educational services.

Stakeholders' role in the higher education system is in their direct involvement in the university development strategy, impact on the development pathway, assistance in organization of educational process, promotion in providing university with material and technical resources. Stakeholders, being the public representatives, should act not only as consumers (universities graduate specialists, and society as a passive subject accepts them), but also cooperate with universities, and become a part of the educational system.

Thus, taking into consideration the interests and requirements of the stakeholders allows university to get the sustainable competitive advantage, realize their social function. Necessity to work with stakeholders is determined by the importance of their opinion about the university, since namely they create public opinion, and consequently, influence the market image of the university.

Coordination of stakeholder' work as a prerequisite of for the implementation of educational activities, concerns the interests of millions of people, becomes an integral part of the development of the education system. In this case, one should take into account the fact that various participants of the staff training system for various activities may have different interests.

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