
20 Governing in the Context of Competition and Autonomy

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How appropriate are the University governance structures in former Soviet countries for their expected tasks and in their respective contexts? Chapter 19 considered the appropriateness of University governance structures given the nexus of autonomy and capacity for each of the fifteen countries and the four identified models of University governance. It was a perspective focused on assumed capacity to govern given levels of autonomy. Keeping the focus on autonomy consistent, this second exploration considers the level of competition among universities as a salient contextual element important to governance (Marginson & Considine, 2000; Musselin, 2018; Pucciarelli & Kaplan, 2016). Competition in higher education consists of a set of organizational responses to environmental pressures (Schofield et al., 2013). It focuses on what universities must do to attract financial resources; recruit students and staff, both foreign and domestic; be part of the global research enterprise; and, for many, pursue world class status (Salmi, 2009) and global rankings (Hazelkorn, 2015).

On a more pragmatic level, competition also becomes a way to direct organizational priorities and focus attention. Viewed in this way, competition also becomes its own type of “external discipline” (Aghion et al., 2010, p. 45). The more competition in a system, the more universities must focus attention on requisite inputs – such as students, tuition, and funding. This in turn creates an alternative type of accountability system, one that is market driven rather than government mandated.

The competitive lens is important to higher education and a counter to direct government oversight because effective governmental accountability and steering can be difficult to do given the nature of higher education. First,

as Aghion et al. (2010) argue, the production function of universities is difficult to observe and understand, therefore centralized government control may be less effective than making organizations compete for resources and inputs. Competition thus serves as a guardrail against institutions pursuing their own objectives. Second, according to Aghion and colleagues, high levels of competition and autonomy are linked to high levels of productivity, at least in terms of research indicators. Third, using the United States as an example, the authors argue that its low levels of guaranteed funding and at best mediocre student inputs (based on the relatively poor performance of US schools on primary and secondary assessments as compared to other countries), further coupled with the existence of high caliber universities, seems to suggest high levels of performance from high levels of competition and autonomy. This high level of performance of US higher education system at the country level was further verified by a comparative study of national level higher education systems by Williams et al. (2013).

Competition is an increasingly important topic of policy discussion around the globe. However, when coupled with autonomy, its role becomes clearer as these two dimensions work as a set. An imbalance in one against the other creates inefficiencies in the system. Write Aghion and colleagues:

There is some danger in giving universities great autonomy if they are not in an environment disciplined by competition for research funding, faculty and students. The autonomy might be used to pursue goals other than expanding University outputs that are valued by society. There is little point in promoting competition among universities if they do not have sufficient autonomy to respond with more productive, inventive, or efficient programs. (Aghion et al., 2010, p. 10)

20.1 TIDES OF COMPETITION IN POST-SOVIET HIGHER EDUCATION

Before this examination of competitiveness and autonomy and its link to University governance structures, we need to note that higher education competition is a relatively new aspect for some of the University systems in this study. Centralization and coordination, and not competition, clearly was the *modus operandi* during Soviet times (Smolentseva, 2020). All higher education institutions were under direct ministerial control (Froumin & Kouzminov, 2018), with little or no opportunity for choice of what programs to pursue, which students to admit, or what resources to secure and how to

spend them. All governance decisions were centrally taken. Not until the time of Perestroika did competition emerge and HEIs begin to have opportunities to participate in (or were arguably thrust into) a global competition for research, students, and academic staff. “However, even in the extreme Soviet state-control model, HE providers and rival regions engaged in heavy competition over resources from the “party-state” (Dobbins & Khachatryan, 2015, p. 193). Competition existed in higher education, just in a different form.

The competitive environment for higher education in the post-Soviet world, beginning in the 1990s, included introducing the privatization of higher education (Smolentseva, 2020). During this period, a fundamental transformation took place when unregulated markets emerged, populated with low quality, unregulated providers. Cost sharing between the state and students for higher education also emerged because of cuts in public HE funding (Smolentseva, 2020). Hence, HEIs began reinstating the new forms of funding beyond direct state support, including introducing tuition fees. Most countries adopted, over time, a dual-track tuition structure (except for Turkmenistan) with one group of students supported by state grants and others who self-funded their education (Smolentseva, 2020). With the funding changes, came the relaxation of control in admissions, which according to some research (Gerber, 2007) was at the root of inequalities in access to higher education, given that the students from economically disadvantaged families were no longer able to afford higher education for which they now had to pay themselves. At the other end of the spectrum, some universities adjusted academic standards by enrolling less prepared students (Smolentseva, 2016).

The gold standard of world class universities driven by their research rankings also emerged. “Research has long been organized as a competitive activity” (Musselin, 2018, p. 659). Global rankings dominated by research indicators further pushed universities to compete on a global level and created a global marketplace for research (Hazelkorn, 2015; Tsvetkova & Lomer, 2019), even when it conflicted with nationalistic policies and sovereign goals (Makinen, 2021).

The privatizing reforms in higher education occurred in parallel to those elsewhere in the post-Soviet economy, including the privatization of state-owned enterprises and housing and efforts to transform different sectors via credits and loans from Western banks. The abrupt changes in both the government and the economy affected higher education and created an opening for the emergence of competition and an ecosystem to support it.

A caveat on competition. We admittedly use a Western, neoliberal-driven framework of competition and its assumptions. It is market-based; it is about accessing resources and capital (Aghion, et al, 2010; Musselin, 2018; Pucciarelli & Kaplan, 2016). It also is about prestige and exists in a transnational context (Hazelkorn, 2015; Makinen, 2021). Hasse and Krucken (2013) argue that competition as a notion is shaped by context-specific logics (they compare businesses and universities, for instance). We recognize that the West and post-Soviet contexts had, have, and will likely advance different logics. “One of the first obstacles that hinders the inclusion of Russian universities in international rankings is that there are differences in interpretation and measurement in HEI’s effectiveness in Russia and western countries” (Mushketova et al., 2017, p. 50). Notions of Western, neoliberal competition may not strictly align with the post-Socialist notions of competition. This is particularly so, given the ongoing Soviet legacies in this region’s higher education (Froumin & Kouzminov, 2018). However, researchers note that these Western ideas of competition exist in the post-Soviet space, with two examples focusing specifically on Russia (Makinen, 2021; Tsvetkova & Lomer, 2019), even if there is tension between local and Western logics. Furthermore, the context-specific logics of competition in higher education also may not equally be supported across the fifteen very different countries that have different forms of universities, fund higher education in different ways and at different levels, use different accountability approaches, and that have policy schemas that prioritize and support priorities differently. Yet, factors that we take to infer competition do exist within and across the fifteen countries in this exploration. Smolentseva (2020) provides an excellent study of the privatization of post-Soviet higher education through a lens of student markets, tuition fees, and private University growth. Her work is important and we use it here.

The aim is to understand in broad strokes how diversified, extensive, and intensive competition is along a set of compatible domains – ones for which secondary data is available to develop a composite picture that can be compared. This chapter focuses on the cumulative competitive environment that consists of international research productivity, domestic and international students, and funding via tuition fees. The indicators selected here are a mix of input (tuition fees) and output (research productivity) variables. We worked to find possible indicators that exist across most of the fifteen countries. The point is to try to capture the extent and magnitude of the overall competitive environment. We do not think a clear and comprehensive way exists to describe the competition levels within higher education. This is an imperfect attempt.

The chapter then explores the four different University governance models of this book – *academic-focused*, *state-extended*, *internal/external*, and *external civic* – within the comparative competitive and autonomous contexts.

Research Competition

To understand the extent to which research competition exists within each country, we looked at research output at the country level as a surrogate for research competition. Research productivity can be considered an indicator of a country's ability to compete on a global research stage. The act of producing internationally recognized research and gaining acceptance in international journals requires scholars to conduct research that competes with other submissions, making successfully published research an illustration of competitive success. We used country level h-index scores obtained from Scimago.¹ H-index scores are commonly used indicators of research productivity, such as by QS World University Rankings² – and can be used to estimate country-level research output (Jacso, 2009). This index has its flaws, including being field dependent and rewarding established researchers (Bornmann & Daniel, 2008) who may exist in greater numbers in some countries rather than others, but the h-score index is a common framework to describe and compare research output. The latter shortcoming might make it more challenging for researchers in countries with less-established research agendas, but it also means that newcomers have overcome ingrained hurdles to become more competitive, possibly suggesting a disproportionate ability to compete. We converted the h-index country rank to percentiles (comparing against a reported 240 countries and localities). We assigned an assessment – high, medium-high, medium-low, and low quartiles – based on the derived percentile (Table 20.1).

Student Competition

The second dimension of competition is the extent to which institutions compete for students. Here two dimensions may matter, internal country competition and competition for international students. (More on competing for student tuition fees below in the resources section.) One dimension is when state universities compete for in-country students against

¹ www.scimagojr.com/countryrank.php?order=h&ord=desc.

² www.iu.qs.com/university-rankings/h-index/.

Table 20.1 Country research productivity percentile ordinal rankings

Country	h-index percentile
high	
Russia	9
Ukraine	21
Estonia	22
medium-high	
Lithuania	25
Armenia	28
Georgia	29
Belarus	30
Latvia	35
Azerbaijan	40
Moldova	43
Kazakhstan	44
medium-low	
Uzbekistan	53
Kyrgyzstan	58
low	
Tajikistan	74
Turkmenistan	85

private higher education. The larger share of students enrolled in the private sector the greater the competition for public universities, which suggests that they do not compete well against private universities. Capacity of the public system may be a factor weakening this argument, particularly when universities are constrained in increasing their enrollment numbers. But considering the sector as a whole, the more institutions that exist means that each institution has to compete against a larger competitor set for students if enrollments are assumed to remain constant. At an extreme, for example, three universities are likely existing in a less competitive place than thirty-five institutions, particularly regarding competition for quality students.

Across the fifteen countries in this study, we found a mean private University enrollment at 14 percent. We grouped countries ordinally and clustered them based on their relationship to the mean and assigned them a ranking of high, medium-high (both above the mean, with high at least two times the mean) or medium-low and low (both below the mean, with low 50 percent or less of the mean) (Table 20.2).

Table 20.2 Grouped ordinal ranking of private higher education enrollments by percentage

Country	Percent of private sector enrollment
high	
Kazakhstan	52
Georgia	35
medium-high	
Moldova	23
Latvia	22
medium-low	
Kyrgyzstan	14
Armenia	12
Russia	10
Azerbaijan	9
Estonia	9
Ukraine	8
low	
Belarus	7
Lithuania	5
Uzbekistan	5
Tajikistan	0
Turkmenistan	0

Second, universities compete for international students as well as domestic ones. International student mobility creates its own set of competitive dynamics and does so in two different dimensions. The first is the ability to compete for international student enrollments. This is inward flow. The more competitive the sector the larger the share of international students it can attract. However, competition flows two ways, as universities within a country must compete against foreign universities seeking to capture their domestic students. Therefore, a country with a competitive international student market would be able to recruit students from abroad and prevent their students from leaving to study elsewhere – outbound flow.

The percentages of in- and outbound students from UNESCO's study of student flow were the sources of evidence.³ We recognize an important limitation, as in both instances government policy very likely may be a factor. Governments may actively recruit international students, or, conversely, they may create policy hurdles that limit inward mobility. (See, for instance,

³ <http://uis.unesco.org/en/uis-student-flow>.

Mushketova et al., 2017, discussion on Russia). They may also establish barriers to outbound mobility or conversely fund programs that support outbound mobility, as in Kazakhstan's Bolashak program, for instance (Perna et al., 2015). Nevertheless, this exercise seeks to create a rough sense of competition within the higher education space in each country; and policy is part of that defining context.

Three patterns emerge across the inbound and outbound student data. One set of countries had a comparatively high percentage of inbound students with low shares of outbound students. Thus, the competitive context seems to be strong in those countries because they attract students from abroad and have few of their own students leave – Latvia, Kyrgyzstan, and Russia. The second set of countries are those with higher relative percentages of outbound students and comparably low levels of inbound students. They are likely characterized as weak competitive context countries because they lose domestic students and can't attract international ones – Azerbaijan, Kazakhstan, Moldova, Tajikistan, and Uzbekistan. The final set are those institutions with similar levels of inbound and outbound students – Armenia, Belarus, Estonia, Georgia, Lithuania, Turkmenistan, and Ukraine. Because they equally gain and lose students, we categorize those countries as competitively neutral even though they vary in the share of students sent and received. Included in this list is Turkmenistan, which does not report data on outbound students to UNESCO but it reports only 0.3 percent inbound students (Table 20.3).

Funding Competition

The third dimension of competition is funding. The focus here is on student-paid fees. Following the dissolution of the Soviet Union, the newly independent countries faced times of austerity because of increased difficulties with taxation and/or because of competition with other public needs (Johnstone, 2014). Higher costs in the higher education system, public sector austerity, and the introduction of tuition fee schemas during the times of independence in post-Soviet Union countries led to a marked difference in cost-sharing between universities and the state (Smolentseva et al., 2018, 2020). The result was “a shift in the burden of higher education costs from being borne exclusively or predominately by government to being shared with parents and students” (Johnstone, 2003, p. 351).

University funding in former Soviet countries predominantly comes from the state and follows three broad categories: (1) basic funding aimed at supporting the performance of basic tasks, (2) performance-based funding

Table 20.3 Percentages and ratios of inbound and outbound students in post-Soviet countries

Country	Inbound	Outbound	Inbound/ outbound ratio
Strong competition			
Latvia	9.3	6.3	1:0.7
Kyrgyzstan	9	5.1	1:0.6
Russia	4.5	1	1:0.2
Neutral competition			
Armenia	5.5	5.1	1:1
Belarus	4.3	5.8	1:1.3
Estonia	9.6	8	1:0.8
Georgia	8.1	7.5	1:0.9
Lithuania	5.3	8.8	1:1.7
Turkmenistan	0.3	NA	NA
Ukraine	3.5	4.5	1:1.3
Weak competition			
Azerbaijan	2.2	21.8	1:1
Kazakhstan	3.3	13.2	1:4
Moldova	5.6	22.2	1:4
Tajikistan	0.8	7.5	1:9
Uzbekistan	0.2	12.3	1:61

Source: <http://uis.unesco.org/en/uis-student-flow>

that incentivizes a variety of activities deemed important; and (3) an innovation-oriented component that enables University investments in strategic objectives (Ziegele, 2013). However, universities in most former Soviet countries, particularly to fund the third objective, leverage dual-track tuition in which some students are supported by the state through scholarships and other students pay tuition fees (Ait Si Mhamed, 2017; Johnstone, 2014; Smolentseva, 2020).

The dual-track tuition approach both increases and diversifies University revenue as state funds do not always keep up with rising expenses. In fact, using Kazakhstan as an example, Ait Si Mhamed et al. (2021) found that public universities seem to prefer non-stipend students because state-supported students bring in less money per student than those who pay tuition. Without robust ways to compete for students and their tuition fees, a University's access to an important source of funding is limited. Due to data challenges in this area, it is not easy to find supporting information about how important tuition fees are to overall Kazakhstani University budgets.

However, in the 2020–2021 academic year, the total number of students enrolled was 576,557. Of this number, 196,100 students (which represents about 34 percent) have a state grant; and 380,500 students (which represents 66 percent) pay tuition fees. Ait Si Mhamed's estimations suggest that the high rate of students paying for their studies indicates that universities make choices to compete for these students in ways that they do not for state grant students. State grants are highly regulated, and universities cannot reject any state grant students who decide to enroll at a designated University.

Smolentseva (2020) reports that the percentage of fee-paying students varies across post-Soviet countries from a low of 7 percent in Turkmenistan to a high of 85 percent in Armenia and Georgia. Only in Estonia and Turkmenistan do less than 20 percent of students pay fees. Estonia abolished tuition fees for first-cycle, full-time students in 2021 (Smolentseva, 2020), thus only students outside of this group pay fees. Approximately half of students pay tuition fees in Kazakhstan, Lithuania, Ukraine, Russia, Belarus, and Moldova. Armenia, Georgia, and Kyrgyzstan all have over 80 percent of students paying fees (see Table 20.4). The mean percentage of students paying tuition fees is 55 percent. This percentage becomes the threshold to determine the relative level of competition for fee paying students.

Toward a Competition Composite

From the above elements, a sense of the competitive context can be constructed. The aim is to offer a general understanding of competition within each national higher education system context by looking at the intensity within each and the breadth across the four elements. We treated each of the four indicators equally – research output, share of students enrolled in private universities, international student mobility (which itself consists of inbound and outbound mobility) and competition for fee paying students. They may have different weights in practice, the discerning of which is beyond the scope of this project but a valuable discussion to consider.

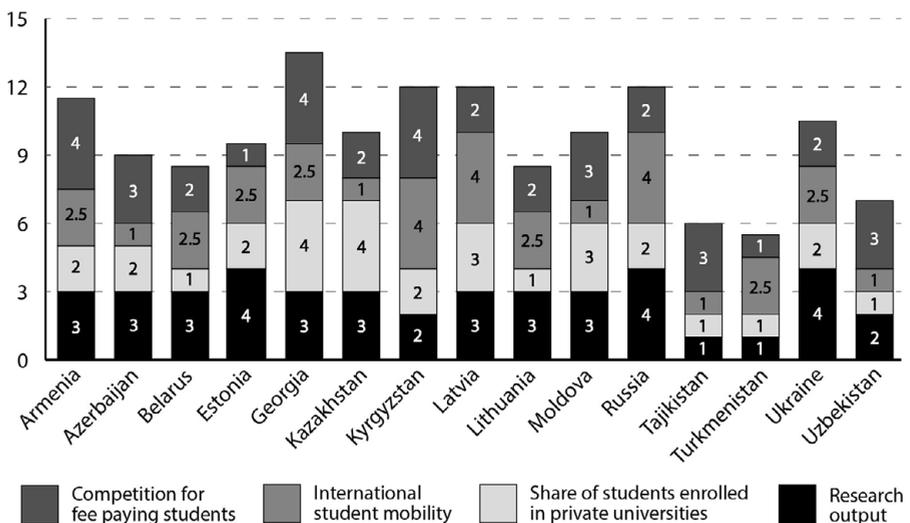
We assigned each item a score of 1 (low competition) to 4 (highly diversified competition) and created a country-level composite score that had the possible range of 4 (all assigned low scores) to 16 (all assigned high scores), representing the most intensive and diversified competitive context. The competition array is presented in Figure 20.1. The countries with the highest diversified competition indexes were Georgia, Latvia, Kyrgyzstan, Russia, Armenia, and Latvia. Those in the least overall competitive contexts were Turkmenistan, Tajikistan, Uzbekistan, Belarus, Lithuania, and Azerbaijan.

Table 20.4 Ordinal ranking of fee-paying students by percentage

Countries	Percentage of fee-paying students
high	
Armenia	85
Georgia	85
Kyrgyzstan	81
medium-high	
Uzbekistan	73
Tajikistan	68
Azerbaijan	61
Moldova	57
medium-low	
Belarus	54
Russia	50
Ukraine	49
Latvia	47
Lithuania	46
Kazakhstan	45
low	
Estonia	18
Turkmenistan	7

Source: Smolentseva, 2020

Figure 20.1 Composite competition across PSS

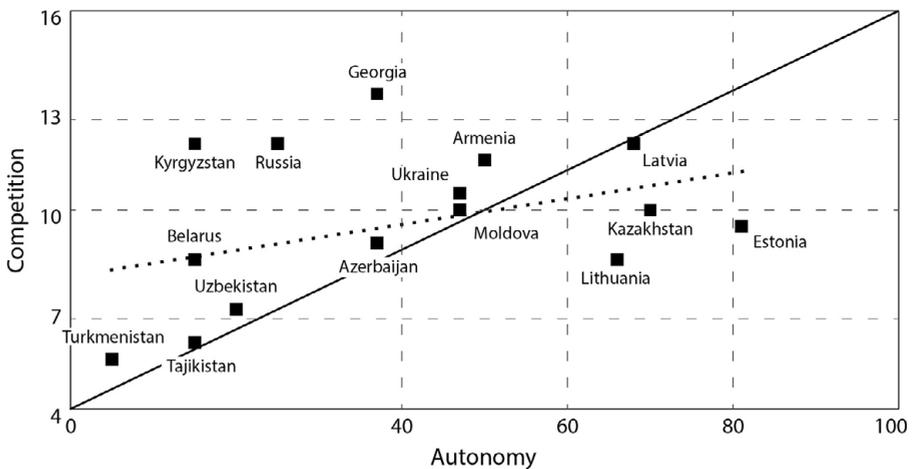


The composite suggests that the contexts with the highest levels of competition are Georgia, Kyrgyzstan, Armenia, Latvia, and Russia. However, the types of competition vary across the set as the elements that make up the composites differ. For example, Georgia is highly competitive with tuition fees, regarding international students, and for research. Whereas Kyrgyzstan competitiveness is tied to tuition and international students but comparatively low on research and private University competition. Russia is low on tuition and private University competition but high in research and international students. Armenia is high on tuition and research but low on private University competition and international students. Competition levels may be similar but the dimensions on which they compete are different even in this rough analysis.

Like the capacity/autonomy comparison in Chapter 19, the following figure visually describes by country the array of competition and autonomy contexts. The competition axis has been adjusted to reflect the possible 4 as the lowest possible assigned competition score as 1 for each of the four areas and 16 as the highest level of competition across the four domains (4 x 4). Figure 20.2 presents the country scattergram plot of competition and autonomy. The solid line shows an assumed idealized one-to-one slope, the dotted line indicates the mean slope across the data set.

Figure 20.2 describes the autonomy levels of the HE system and determined composite levels of competition by country context. While not making

Figure 20.2 Competition and autonomy



conclusive assessments, competition and autonomy seem to correspond well for those countries that fall along the idealized slope: Turkmenistan, Tajikistan, Uzbekistan, Azerbaijan, Moldova, Ukraine, and Latvia. They appear at different points on the slope with differing but appropriate corresponding levels of autonomy and competition. For instance, Turkmenistan, Tajikistan, and Uzbekistan have low levels of autonomy but also face little competition. On the other hand, Latvia operates in a competitive context but has comparatively and compatibly high autonomy. Moldova is in the middle of both.

Based on the countries' relationship to the competition–autonomy slope, countries such as Georgia, Kyrgyzstan, Russia, Belarus, and Armenia seem to operate in competitive environments that outstrip their levels of granted autonomy. Inversely, Lithuania, Kazakhstan, and Estonia seem to have excess autonomy given their levels of competition in their University sectors. Thus, to create appropriately structured governance contexts, those countries above the line would need to shift to the right to increase autonomy to compete more effectively. Those below the line would need to move left for lesser autonomy to align with the levels of competition they face.

Policy can also adjust levels of competition. Another alternative for those countries above the line – Georgia, Kyrgyzstan, Russian, Belarus, and Armenia – is to constrain competition if universities are not granted more autonomy. Those countries below the line – Kazakhstan, Lithuania, and Estonia – might find benefit from policy changes that increased competition for domestic and international students, for tuition paying students, and/or for research to better take advantage of their levels of autonomy.

Looking comparatively within this set (the dotted slope line), Kyrgyzstan, Georgia and Russia could possibly benefit by gaining autonomy compared to other universities in this region who have high levels of competition. Conversely, Estonia and Kazakhstan as well as Turkmenistan, Tajikistan, and Uzbekistan might need more competition to align with their levels of autonomy, benchmarking against other former Soviet countries. They could also be granted less autonomy. To simplify the discussion, this chapter draws upon the idealized one-to-one slope for its remaining discussions and comparisons.

20.2 GOVERNING APPROPRIATELY IN CONTEXT

This book works to develop a comparative understanding of University governance and its structures. We are not seeking inferential analysis but

rather a descriptive understanding within and across contexts. The next step is to consider governance structure appropriateness for the context in terms of higher education competition and autonomy, paralleling the analysis in Chapter 19. To what extent do the current governance structures of universities in former Soviet states align with the autonomy and competition governing contexts? The comparative chapter identified four models of University governance – *academic-focused*, *state-extended*, *internal/external*, and *external civic* that organize this discussion.

Aghion et al. (2010) argue autonomy and competition should work as a set and that there are optimal levels of balance between the two dimensions. Too much autonomy without the constraints of competition can be problematic. It might allow actors to pursue their own objectives without constraints, leading to inefficiencies. Competition sets safeguards on behavior. The same is also true in that too little autonomy in a highly competitive context can constrain actors so that they are unable to compete effectively. “Competition compels adaptation and those who do not compete successfully are threatened by selective forces.” (Hasse & Krucken, 2013, p. 185). The competition–autonomy framework describes the “rules” for its universities to operate (Aghion, et al., 2010, p. 19), whereas the previous capacity–autonomy framework describes the structure’s capacity to adhere to and benefit from the rules. Because autonomy and competition also scale up and down together, like Fukuyama’s autonomy and capacity framework in Chapter 19, an assumed sloped line exists of appropriate sweet spots for governance structures that reflect this sliding intersection of competition and autonomy (see Table 20.5).

We can further extend this analysis to examine how the competitive landscape aligns with governance structures in each of the fifteen countries.

The *state-extended* model would seem most appropriate when low competition and low autonomy exist in tandem. The state directs higher education, provides the needed resources, and may put in place policies that limit competition. There are few incentives or opportunities to compete and therefore institutional autonomy is unwarranted. Governance structures, from this perspective, can and should be tied to the state. They likely have limited scopes of work beyond compliance and assuring progress on state-directed objectives. Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan seem to have appropriate governance structures for their competitive contexts.

Belarus and Russia, on the other hand, each seem to be operating in competitive environments for which they do not have sufficient autonomy.

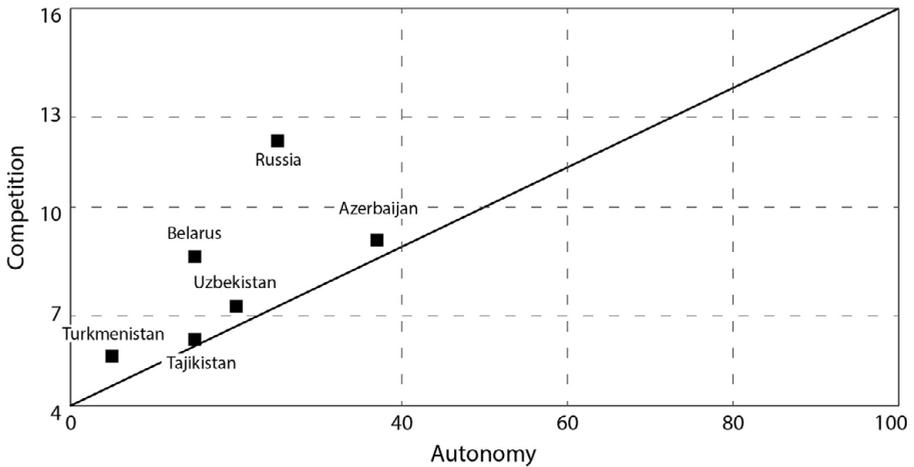
Table 20.5 Country governance structure and competition/autonomy levels and ratio

Governance structure/country	Relationship
state-extended	
Azerbaijan	appropriate
Belarus	increase autonomy / decrease competition
Russia	increase autonomy / decrease competition
Tajikistan	appropriate
Turkmenistan	appropriate
Uzbekistan	appropriate
academic-focused	
Georgia	increase autonomy / decrease competition
Kyrgyzstan	increase autonomy/ decrease competition
internal/external	
Armenia	increase autonomy / decrease competition
Estonia	decrease autonomy / increase competition
Latvia	decrease autonomy / increase competition
Lithuania	appropriate
Moldova	appropriate
Ukraine	appropriate
external civic	
Kazakhstan	decrease autonomy / increase competition

Thus, state-extended governance structures may be ill suited in that they are dominated by the state and thus respond to government policy rather than competitive forces. They may benefit from broader composition that include individuals with knowledge of competition and strategy (Figure 20.3).

An *Internal/external* model of governance is common among those University systems with higher levels of autonomy and where competition comparatively is moderate to high. Moldova, Latvia, and Ukraine fall along the assumed slope of competition and autonomy. Of this set, Moldova and Ukraine have less autonomy than Latvia but correspondingly lower levels of competition to which they need to respond. Two other situations exist in countries with this governance model. First, Estonia and Lithuania have autonomy that seems to outpace competition. They both have high levels of autonomy and correspondingly moderate levels of competition as defined in this chapter. The system may be better optimized by increasing competition in both contexts. What does need to be taken into account and is not detailed in this analysis is the size of the competitive environment. Both are comparatively small countries and vastly smaller than Russia, for example.

Figure 20.3 State-extended governance structures by autonomy and competition

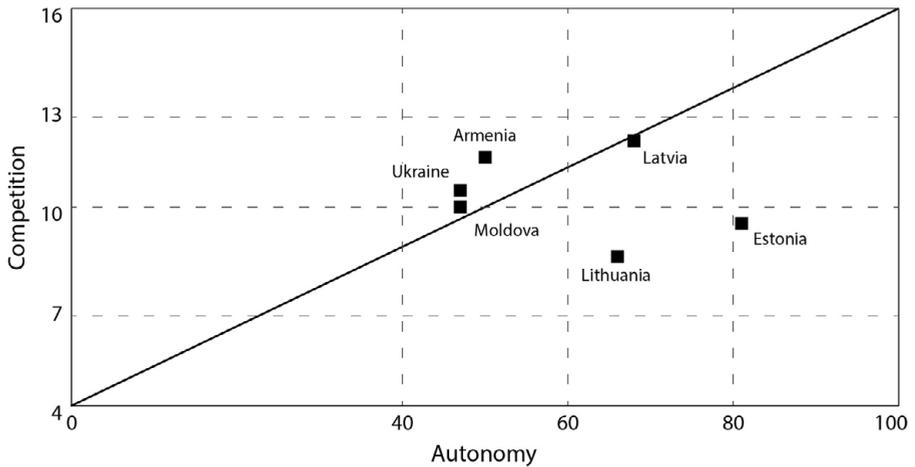


Thus, the scope of competition may be different and arguably underrepresented here. Second, this analysis suggests Armenia has insufficient autonomy for the country's level of competition, the inverse of Estonia and Lithuania.

One factor to consider is who the external members of governing bodies are in these different contexts. In the lower autonomy and lower competition contexts, members of government may suffice to give the few degrees of freedom and complexity in which they are working. However, in Latvia, where competition is greater as is autonomy, governmental members may work against the University's ability to respond to external pressures and opportunities. They have a limited scope of engagement. This model of *internal/external* membership may be the most flexible across contexts depending on the number and backgrounds of governing body members (Figure 20.4).

Georgia and Kyrgyzstan are the two *academic-focused* examples in this project. Georgia seems to operate in a highly competitive environment, the most competitive across this set of fifteen countries per this analysis. Georgia's governance structure seems to be insular with membership and leader selection from inside the University. Given its need to compete effectively, but with insufficient autonomy, this governance structure and the granted autonomy may hinder strategic action that allows the universities to take advantage of its competitive environment and not be overwhelmed by

Figure 20.4 Internal/external governance structures by autonomy and competition

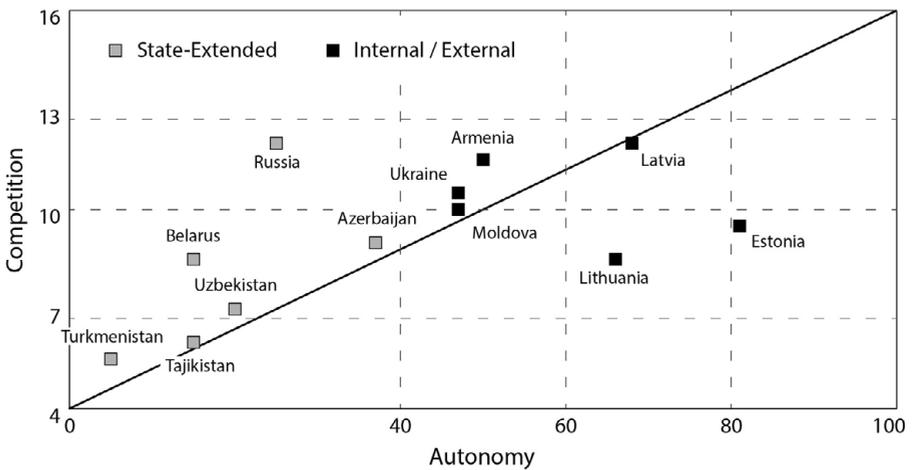


it. Similarly, Kyrgyzstan seems to be operating in a comparatively high competitive environment and one with comparatively low levels of autonomy. Its governance structure also does not suggest it is outwardly facing, likely hindering universities' abilities to compete, on the one hand, and, at the same time, limiting its access to government to benefit from ministerial engagement.

The final model, *external civic*, only appears in Kazakhstan in this project. This is a country where autonomy seems to outpace competition. This governance structure, with its external members, may be more suited for high competition/high autonomy contexts where external stakeholders can provide significant strategic insight if not competitive advantage to governance (Chait et al., 2005).

Research on team decision-making suggests that those with diversified backgrounds and multiple perspectives are less likely to be overconfident in their decision-making abilities, explore more possibilities in their deliberations, and be more willing to question judgments and opinions leading to better decision making (Almadoz & Tilcik, 2016). They bring outside perspectives to better understand opportunities and threats in the competitive environment and have the autonomy to act as needed (Pucciarelli & Kaplan, 2016), as those that cannot compete well cannot make necessary changes and therefore risk negative organizational results if not downright closure (Hasse & Krucken, 2013). To what extent might the *external civic* model be one

Figure 20.5 Academic-focused and external civic governance structures by autonomy and competition



applicable to countries such as Latvia, with its high autonomy and high competition; to Estonia, if it had more competition in the system; or to Georgia, if its universities had greater autonomy given its high level of competition? We believe this is an important question that merits further exploration. See Figure 20.5 for the last two models.

20.3 MAKING SENSE OF COMPETITION AND AUTONOMY

Across the fifteen former Soviet countries, there seems to be very few well-aligned governance structures for the competitive contexts in which they operate. Those with *state-extended* models operating in low autonomy, low competition, and low-capacity contexts, such as Turkmenistan, Tajikistan, Uzbekistan, and Belarus may be most appropriately suited to govern universities in this context. Kazakhstan is the only example of an *external civic* governance structure. It operates with comparatively (on paper) high levels of autonomy. Yet Latvia has the comparatively highest levels of autonomy and competition. To what extent might this model also suit the autonomy and competition contexts of Latvia? An *external civic* structure may help Latvian universities create strong ties beyond campus borders with the private sector, future employers, and other external stakeholders (AGB, 2016). It can create a disciplined focus for governance by minimizing disruptive

internally driven self-interest that has been documented in other internal/external governance structures (Shanahan, 2019) and address shortcomings of expertise bias when field experts are over involved (Almandoz & Tilcsik, 2016).

Countries such as Georgia, Russia, and Kyrgyzstan may exist in overly competitive environments per their levels of autonomy. Georgia operates in the most competitive higher education space per this analysis and furthermore outpaces its level of autonomy. Yet its capacity and level of autonomy (see Chapter 19) are much more aligned. It follows an *academic-focused* model of governance with a strong, internally appointed rector and staff membership. This model suggests an inward focus that may not serve it well in either context, particularly the competitive one. Kyrgyzstan follows the same *academic-focused* governance model. Yet it too finds itself in a competitive environment but has limited autonomy to compete effectively and a governance structure that is focused inward rather than with a structure that provides opportunities for an external focus.

The other two Baltic countries, Latvia and Estonia, have a University governance model that includes both internal and external stakeholders. Each has comparatively high levels of autonomy, with Estonia the highest across the fifteen countries. Estonia has corresponding levels of high capacity but is not operating in a very competitive environment. Of the Baltics, only Latvia operates in an environment of corresponding competition and autonomy and of capacity and autonomy. The dual-stakeholder approach may serve its universities well, as it gives voice to multiple groups of individuals helping it navigate the realities of its contexts. The low levels of competition for Lithuania and Latvia coupled with high levels of capacity may mean that universities run the risk of having too few constraints on their behaviors. They are missing the guardrails that competition can provide. This fact coupled with multiple voices of stakeholders who likely have similar but also different priorities (Shanahan, 2019) may lead to institutions being adrift or pursuing multiple strategic priorities concurrently at counter purposes.

Finally, to what extent has the *academic-focused* model outlived its utility as viewed through a competitive lens? Only Georgia and Kyrgyzstan use this model. While likely overstating its insularity, it is structured to be internally focused on academic needs and priorities. Given the increased competitive contexts in which these two higher education systems operate – with an internal focus, in which rectors are elected from within the campus and the governing body comprises members who are University employees – this structure may have been sufficient at one point in time. But increased

external demands shaped by the dual trends of New Public Management and globalization that reach deeper into University priorities and governing structures that do not look outward at least to some extent, such as through the *internal/external* stakeholder model, may well be unable to sufficiently respond to external demands and changing contexts.

An interesting question to consider is the extent to which the type of competition matters in terms of governance structure? There is so much variation within the set of countries that a line of future inquiry might focus on the type of competition – for students, resources, or research – and if some types of governance approaches are more suited for each.

Comparison across Frameworks

While the analysis and its components is in many ways rough and incomplete, the pictures this analysis paints are worth considering and building upon with future research. Autonomy and competition yielded different contexts across the governance models as compared to the capacity and autonomy analysis in Chapter 19. For example, Georgia has drastically more competition than suitable for its levels of autonomy, but its capacity only moderately surpasses autonomy in that framework. Estonia has appropriately high levels of capacity and autonomy, but its competition was medium-low and less than aligned with autonomy. Lithuania was similar in that competition and capacity were aligned, but competition was low compared to autonomy. Thus, the implication for those countries that profiled differently is that solutions to one misalignment might not apply to the other or make the other alignment worse. For example, increasing autonomy in Azerbaijan to better align autonomy with public sector capacity would take both out of alignment with competition. Policymakers may need to think about which is a more ideal alignment and which governance structure might be best suited for the context. Both of these two countries have *state-extended* models. Moving to a more externally attuned model such as *internal/external* may address capacity but be problematic in terms of competition as few market-based guardrails exist.

Some instances may benefit from a single adjustment. Estonia, for example, has aligned levels of autonomy and capacity as well as the *internal/external* governance model. Its competition is medium-low, so using policy levers to increase competition may be beneficial and place less of a regulatory burden on policy mechanisms.

Some countries had similar patterns across the two comparisons. Turkmenistan and Uzbekistan both had low levels of autonomy, capacity,

and competition. Russia had medium-high capacity and competition, and low autonomy. Belarus, Armenia, and Kazakhstan each profiled similarly across the two frameworks. For countries that showed similar patterns across contexts and for which the current governance model is questionable, a common solution may work well across both domains. For instance, Russia seems to have capacity that further outpaces autonomy as well as competition that exceeds autonomy. Its governance structure is *state-extended*, which may not be the most beneficial given its levels of competition and capacity. More autonomy and a governance structure that is more permeable – *external civic* or *internal/external* – may better serve its universities.

