

REFORMATION OF HIGHER EDUCATION IN EUROPE: ESSENTIAL BENCHMARKS AND INSIGHT IN REFORMING THE NATIONAL EDUCATION SYSTEM

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Abstract

The main purpose of article is to analyze the new situation in higher education in Lithuania in globalization context. Higher education has long been recognized as contributing to the social, cultural and intellectual life of society by improving the level of human capital. Processes of globalization, knowledge society development changed the conditions for universities and brought for home management the new requirements. In many countries of the world is increasing rapidly the number of students. This trend is characteristic for Lithuania too. The number of interested groups - the students themselves, employers, public authorities, and the general public rears the new requirements for universities' management. Knowledge and technology has become a major economic and social development factor. Competition in higher education, new challenges have arisen due to the fact that the university has begun reforming its management. The European Council considers that higher education institutions have a wealth of scientific and educational potential, but it is not sufficiently exploited for economic governance processes, society and business. Managerial take over the business management techniques, leadership, payback criteria, investments, marketing strategies have become commonplace in higher education. The university management efforts to include more stakeholders, highlights the cooperation between the public and business value. Universities have become immediate the part of the national innovation system, and able to contribute significantly to the edge of economic progress. Lithuanian high-education institutions also received a substantial change. The article presents the analysis of the development of higher education in Lithuania according European trends.

Keywords: Reform of higher education, knowledge society, globalization

Introduction

Education system and its high level reflect knowledge reproduction potency in every country as well as establish preconditions for long-term stability of country development and competitive growth. Education development policy of the European Union (hereinafter EU) constitutes for the one of the highest priority science directions that could be named as one of the founding pillars of EU internal politics. An active period of the EU education development started in May 2005 when “the Bergen ministerial conference of the Bologna Process confirmed the pivotal role of the Commission in supporting the reforms of degree structures, credit transfer, quality assurance and curricular development, which are transforming the ‘European Higher Education Area’”¹. This step should be named as a key breakthrough in the EU higher education; it moves higher education systems of EU states to another level, which creates new challenges to the national education systems by itself. The Bologna Process documents² name the foundation of the European Higher Education Area as a necessary condition for growth of European higher education institutions’ attractiveness and competitiveness. The importance of this qualitatively new formation is also highlighted in the Communication from the EU Commission „2020 M. EUROPE. A strategy for smart, sustainable and inclusive growth“³, where the renewed strategy of EU economic growth is presented. The strategy specifies five major goals interrelated, supplementing each other and covering employment, innovation, education, and social involvement, climate, and energy areas.

Various reasons caused the need for changes in education; however, the most important reasoning without doubt was EU willingness to remain able to compete and quickly adapt to globalization processes seizing all areas of activity. Taking into account modern global trends in the field of higher education and studying, the European Commission and EU member countries now believe there is a need for fundamental reforms, which would assist European higher education and studying in successful competition in the globalization

¹ Keeling R. The Bologna Process and the Lisbon Research Agenda: the European Commission’s expanding role in higher education discourse. *European Journal of Education*, Vol. 41, No. 2, 2006.

² The Most Important Documents of Bologna Process. Bologna–London period 1999–2007. The Ministry of Science and Education of Republic of Lithuania, 2008. Internet access: http://www.smm.lt/t_bendradarbiavimas/docs/Leidiny_Svarbiausi%20Bolonijs%20procesas%20dokumentai%202009-2010.pdf

³ European Commission. (2010). Communication from the commission. EUROPE 2020. A strategy for smart, sustainable and inclusive growth. Brussels, 3.3.2010 COM(2010) 2020. Internet access: http://ec.europa.eu/commission_2010-2014/president/news/documents/pdf/20100303_1_en.pdf

and the knowledge economy context. Absence of such changes lowers probability of achieving important strategic EU goals such as development of competitive, innovative, knowledge-based and inclusive economy; successful solution of employment problem; implementation of freedom of movement for people, capital and ideas. These and other strategic goals are associated with education; therefore, in the way of achievement thereof, strategic systematic changes should be implemented in this field as well.

One of the most important aims set in *Europe 2020 Strategy*⁴ is to reach 40 percent of young people getting higher or equivalent education by 2020. According to European Commission,⁵ over the latter decade the number of people acquired higher education in most of the European countries has grown largely, however, it is still too little to achieve growth in the sectors requiring deep knowledge and to strengthen an ability of Europe to obtain benefit from globalization and together maintain European social model. At the present, as little as 26 percent of all workforce have got higher education. As for a number of scientists, in comparison to the total labor force, the EU is still behind – 6 scientists for 100 employees, in the USA and Japan these figures are 9 and 11 accordingly. The knowledge-based economy needs people who would have acquired some different transversal skills, digital skills, are creative and flexible, having good knowledge of the chosen area (for example, natural science, technology, engineering and mathematics). However, either public or private employers, including employer in areas where most scientific researches are being done, increasingly report difficulties in finding staff meeting changing requirements. With the increasing number of high school graduates, there is a need to increase the systemic changes that improve the quality of education and emerge new means of education implementation. Moreover, although the demographic impact of aging varies between Member States, number of abiturients who have traditionally complemented high-school students' ranks is declining everywhere. These statistical indicators show a potential for achieving strategic goals by reforming the education system and transferring it to a new qualitative level. A systematic, consistent and efficiency-driven restructuring of the education system and the implementation of the European Higher Education Area have the potential not only to increase the EU's higher educational institutions attractiveness and competitiveness in the global market for the

⁴ Ibid.

⁵ European Commission. (2011). Commission working document on recent developments in European high education systems. Accompanying the document. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems. COM(2011) 567 final Brussels, 20.9.2011. Internet access: <http://ec.europa.eu/education/higher-education/doc/com0911_en.pdf>.

provision of educational services, but also to increase the competitiveness of the EU in general.

This paper briefly reviews the recent development of higher education trends in the EU, describes the main initiatives and discloses key objectives for higher education institutions that want to be competitive and active partners in their own countries for sustainable and inclusive growth. Analysis of the EU legislation and the scientific literature, that discusses the role of higher education and requirements for higher education institutions in the context of globalization, seeks to highlight the priorities for action as well as to draw a signpost to the Member States which are reforming their education systems to become competitive not only within the EU but also in the world influenced by the process of globalization in all areas.

Globalization Impact on Higher Education and Bologna Process

Globalization processes and development of knowledge-based society change context for university activity and raise new requirements for management thereof. In turn, it determines institutions not adapting to the changes in the world to lose their competitiveness, they become unattractive for students and do not justify employers' expectations. New and qualitatively new level of requirements for universities are raised by substantially all interested groups - the students themselves, their future employers, public institutions, society as a whole. Universities have become a driver for knowledge-based society, an important factor in social and economic development of the society. That obliges to change their mission accordingly. Following Becket and Brooks⁶, students have more opportunities to choose studies not only in their own country, but in foreign universities as well. People graduated from universities fall not into the relatively closed and more passive for innovations internal labor markets, but into the global labor market, thirsty for employees ready to work at current conditions and thus graduated from higher education institutions that kept pace with the global economy development. The function of all levels of higher education is to prepare a specialist for the labor market who would be able to develop further skills and competences. The significance of education and cooperation in this field in the development and strengthening of stable, peaceful and democratic societies is generally recognized.

⁶ Becket, N., Brooks, M. (2006). Evaluating quality management in university. *Quality Assurance in Education*, 14(2), p. 123-142.

The Bologna Declaration, adopted in 1999,⁷ provided the main goals, principles and frames in order to establish the common European Higher Education Area. When starting Bologna Process the priorities were set in order to ensure that all students of European universities have the right to graduate and their qualification is recognized in all EU Member States. International cooperation and strategies set by European institutions become the impetus for large-scale structural European higher education system reform. European universities reviewed and restructured their training activities to the three-tier system, which was established after the launch of the Bologna process, and strengthened social role thereof. The main aim of the Bologna process remains to be an essential condition – student learning at European university has the right to complete the studies and the right to the recognition of gained qualification across the EU.

Further development was continued by publishing in 2007 the *London Communication*⁸, that approved the willing to establish unified vieningą European Higher Education Area, and in 2009 by the *Leuven Communication*⁹ which obliged universities to seek for internationality of study and to facilitate the mobility of students and teachers. In European Higher Education Area, the priority remains to be given to the quality of research and study. The main governance implementation principles of higher education institutions shall be learning all the time, the social dimension, the interface between research, innovation and higher education, higher education transparence and adequate funding. All these declarations and communications has led the universities and other higher education institutions to seek cooperation in developing joint programs to develop teaching, research and student exchange programs. Mobility of higher education institutions' staff, students and graduates is one of the key objectives of the Bologna Process, creating opportunities for personal growth, the development of international cooperation between individuals and institutions of higher education and to improve the quality of the research and development of the European dimension. Mobility of students, academic and administrative staff shall be identified as a basis for the development of European Higher Education Areas. The European Union supports the university model, which focuses on practical knowledge, useful for the public that is oriented to the labor market needs. High school teachers work as employees of

⁷ The Most Important Documents of Bologna Process. Bologna–London period 1999–2007. The Ministry of Science and Education of Republic of Lithuania. (2008). Internet access: http://www.smm.lt/t_bendradarbiavimas/docs/Leidiny_Svarbiausi%20Bolonijs%20procesas%20dokumentai%202009-2010.pdf

⁸ Ibid.

⁹ Ibid.

a public sector organization but applying business management practices and substantially differ from the previously prevailing methodology.

Learning mobility helps people not only to gain more professional, social and intercultural skills, but also increases their chances of employment. European Higher Education Area Ministers agreed to double the number of foreign students or learners; by 2020. such persons should make 20 percent. According to the European Commission ¹⁰, the European Higher Education Areas “has brought about far-reaching changes: the bachelor-master-doctorate structure and advances in quality assurance have facilitated individual mobility and strengthened institutions and systems. In parallel, the development of the European Research Area is increasing complementarity between national systems to enhance the cost effectiveness of research investment and intensify exchanges and cooperation between institutions”. European Higher Education Area and specific internationalization instruments of national education systems applied therein provide a basis for simple and non-requiring continuous efforts cooperation development. For instance, „The European Credit Transfer System (ECTS) plays an important role in facilitating student mobility and international curriculum development. ECTS is increasingly becoming a generalized basis for the national credit systems“¹¹. Successful application of this instrument shows barriers between the higher education institutions, and even loss actually has a tangible practical benefits for students.

“Education, and in particular higher education and its links with research and innovation, plays a crucial role in individual and societal advancement, and in providing the highly skilled human capital and the articulate citizens that Europe needs to create jobs, economic growth and prosperity. Thus, higher education institutions are thus crucial partners in delivering the European Union's strategy to drive forward and maintain growth”.¹². University's contribution to EU strategic goals is planned to be very large, and today we can see a systematic approximations toward the realization of these challenges.

¹⁰ European Commission. (2011). Commission working document on recent developments in European high educations systems. Accompanying the document. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems. COM(2011) 567 final Brussels, 20.9.2011. Internet access: <http://ec.europa.eu/education/higher-education/doc/com0911_en.pdf>.

¹¹ The Most Important Documents of Bologna Process. Bologna–London period 1999–2007. The Ministry of Science and Education of Republic of Lithuania, 2008. Internet access: http://www.smm.lt/t_bendradarbiavimas/docs/Leidiny_Svarbiausi%20Bolonijs%20procesos%20dokumentai%202009-2010.pdf

¹² Ibid.

Modernization of Higher Education

Under the conditions of modern economics higher education (including tertiary vocational education and training) in this area links the research and innovation play an important role in the provision of highly skilled human capital and promoting the necessary research, that Europe needed to guarantee jobs and economic growth and prosperity. Graduates' skills, unfortunately, do not always meet the labor market and society. Employers in the private and public sector increasingly speak about non-compliance of the abilities and needs as well as difficulties in finding the right people who are able to respond to the changing needs of the knowledge-based economy. Council conclusions of 12 May 2009 on a strategic framework for European cooperation in education and training state that „in order to support Member States' efforts to modernize higher education and develop a European Higher Education Area, close synergy with the Bologna process should also be aimed for, in particular with regard to quality assurance, recognition, mobility and transparency instruments.“¹³. The conclusions of the Council and of the Representatives of the Governments of the Member States, meeting within the Council, of 26 November 2009 on developing the role of education in a fully functioning knowledge triangle express „the need to reform further the governance and financing structures of universities allowing for greater autonomy and accountability so as to facilitate a more diversified revenue stream and more effective collaboration with the business world and to equip universities to participate in the knowledge triangle on a global scale.“¹⁴. On 24-25 October 2011 in Sopot, there was held the conference in Chair Member Country for the topic Modernisation of Higher Education, where a need for higher education systems is highlighted Modernisation of Higher Education, especially taking account for such nowadays problems as global competition and demographic trends. According to the European Commission, „The strength of European higher education institutions lies in their diversity, in the provision of high quality, sustainable, relevant education and research, and in the link between institutional autonomy, accountability to all stakeholders, and an ability to adapt to changing circumstances. In addition to their two traditional missions of teaching and research, a third mission linking institutions and the business sector, including at regional level, and encompassing social

¹³ Commission of the European Communities (2009). Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Report on progress in quality assurance in higher education. COM(2009) 487 final. Brussels, 21.9.2009. Internet access: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0487:FIN:LT:PDF>.

¹⁴ Conclusions of the Council and of the Representatives of the Governments of the Member States, meeting within the Council, of 26 November 2009 on developing the role of education in a fully-functioning knowledge triangle (2009/C 302/03). Internet access: <<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:302:0003:0005:LT:PDF>>.

responsibility is of growing importance.”¹⁵. It is this observation making the assumptions of the necessity of higher education modernization, as science, business studies and close cooperation are the key to improving the competitiveness of each country.

In Europe-2020 strategy, its flagship initiatives and the new integrated guidelines, a key focus is given to knowledge as a factor in the EU's objectives of smart, sustainable and inclusive growth. The multi-year financial program for 2014-2020 proposed by the Commission is also based on this strategy. Compared to the previous program, investment in education, research and innovation will be much more budget funded. The reason is that education, particularly higher education and its links to research and innovation play a vital role in the development of individuals and society improvement, developing a skilled human capital and raising active citizens that Europe needs to create jobs and economic growth and prosperity. Thus, higher education institutions are a key partner in the implementation of the EU strategy to promote and sustain economic growth. However, the potential of higher education institutions to play a role in society and contribute to the well-being is not fully exploited, same as previously. As the European Commission states,¹⁶ either public or private employers, including employer in areas where most scientific researches are being done, increasingly report difficulties in finding staff meeting changing requirements.

In order to maximize the higher education sector's contribution to smart, sustainable and inclusive growth, the European Commission¹⁷ proposes to transform the main areas: to enlarge the number of all levels' high school graduates; to improve quality and relevance of human capital development in higher education; to create effective governance and financing mechanisms to achieve excellence; to strengthen the so-called knowledge triangle - education, research and business. Significant impact both on the quality and all of these areas have international students, researchers and other staff mobility and increasing internationalization of higher education.

Higher education institutions need to continue internal reforms based on the chosen institutional mission related to a kind of intellectual capital which they represent, and given the ability to find their place in comparison with other national institutions. The Member

¹⁵ European Commission. (2011). Commission working document on recent developments in European high education systems. Accompanying the document. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems. COM(2011) 567 final Brussels, 20.9.2011. Internet access: <http://ec.europa.eu/education/higher-education/doc/com0911_en.pdf>.

¹⁶ Ibid.

¹⁷ Ibid.

States by themselves and the educational institutions are as previously responsible for the reform of higher education and the support of reforms. However, the Bologna Process and the subsequent development of the European Higher Education Areas, the agenda of the modernization of the EU's higher education systems and foundation of the European Research Area indicate that the tasks and the necessary policy measures are transnational in nature and that European cooperation is a valuable factor for financial support evidence-based policy analysis and exchange of best practices in the fields. The knowledge triangle (education - research - innovation) is an important prerequisite for ensuring access to higher education to contribute to job creation and economic growth, reform the management and financing structures and increase the attractiveness of higher education internationally. The Council in the Conclusions states¹⁸, involving employers and other stakeholders in the design and delivery of programs is essential in terms of improving the quality and relevance of higher education.

Internationalization of Higher Education

The Council in the Conclusions On the internationalization of higher education notes, „higher education is acquiring an increasingly international dimension, as more and more higher education institutions enroll students from third countries, exchange students, staff, projects and knowledge, and engage in international academic and research cooperation“¹⁹. It is also noteworthy, that quality of EU higher education institution's activity and incomparable variety and completeness of studies offered thereby determine the high attractiveness of these institutions in an international academic world both as studying place and as partner for joint educational and scientific research projects. However, global competition to secure a more mobile international students is increasing. International cooperation in higher education is important and valuable, so it must be supported at national and EU level. Such cooperation contributes to the improvement of teaching, learning and research quality and innovation in their field, in addition, it helps to build knowledge. Higher education plays a key role in the development of personality and social development, as it enhances social, cultural and economic improvement, as well as active citizenship and ethical values. Therefore, cooperation in higher education should be an integral part of the EU external cooperation policy and should be adapted to the specific needs, interests and level of development of the partners concerned, while having a special regard to the subsidiarity principle. Higher

¹⁸ Council conclusions on the modernisation of higher education (2011/C 372/09). Official Journal of the European Union, 20.12.2011, C 372/36.

¹⁹ Council conclusions of 11 May 2010 on the internationalisation of higher education (2010/C 135/04). Official Journal of the European Union, 26.5.2010 C 135/12

education popularity in the EU increased due to the progress made through the European-wide Bologna process creating a more consistent and comparable degrees structure, and the EU's success in the adoption of uniform rules and measures for the recognition of qualifications and quality assurance. There is a general interest about these developments worldwide and in response to the growing interest shown by third parties. The Council notes that the Bologna Policy Forum, which facilitates the European Higher Education Area and other regions of the world political dialogue, should be also welcomed as a way of sharing the specific issues of mutual interest. International academic cooperation should continue to be an important tool for the EU to support the modernization efforts of the partners, as by forming a structured EU and third-country higher education institutions in partnerships, the EU can contribute to local capacity building - both in higher education and beyond, to keep skilled university employees and enhance international academic exchanges and mobility.

Assurance of Higher Education Quality

Becket&Brooks note, that „as reproductive and demographic crisis deepens, competition among the high schools is sharpening and will do so. Only high schools offering modern and flexible curricula will remain in higher education market. They will attract not only students, but also the best teachers and researchers. In the European Higher Education Area high school are joining and will continue to join into networks (consortia) and share higher education market“²⁰. Increasing competition require more and more quality of higher education, as quality is consistently one of the most important criteria in choosing a higher education institution.

To ensure quality of higher education is one of the most important goals in developing a coherent, compatible and attractive European Higher Education Area and achieving a Europe-wide Bologna Process goals. The European Commission's vision²¹, with globalization, economic integration and “increased academic and professional mobility, there is a growing need for the recognition of qualifications outside the country which awards them. The “borderless” delivery of higher education has made cross-border quality assurance increasingly important. The emergence of so-called “degree mills” (fake universities selling fake “degrees” on the internet) makes it vital to distinguish legitimate education undertaken abroad from spurious qualifications. Quality assurance helps to make higher education

²⁰ Becket, N., Brooks, M. (2008). Quality Management Practice in Higher Education – What Quality Are We Actually Enhancing? *Journal of Hospitality, Leisure, Sport and Tourism Education* 7(1), p. 40 – 54.

²¹ Commission of the European Communities (2009). Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Report on progress in quality assurance in higher education. COM(2009) 487 final. Brussels, 21.9.2009. Internet access: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0487:FIN:LT:PDF>.

transparent and trustworthy for European citizens and employers as well as for students and scholars from other continents”. High quality education is undoubtedly an appropriate response to the growing competition and the way to survival in combat.

Higher education quality assurance principles are based on the public interest in higher education and the rational use of financial resources, these include high school's responsibility to the state, society and other social partnership targeted individuals, reliability (quality assurance is based on the need to improve the quality of studies), transparency, internal and external assessment coordination, deployment of quality assurance culture, rationality and internationality.

Quality assurance systems play a vital role in ensuring high quality standards and in facilitating the comparability of qualifications in Europe. The need to increase competitiveness must be balanced with the European Higher Education Areas improving the social characteristics, in order to strengthen social cohesion and reducing social and gender inequalities both at national and European level. Academic values should prevail in international academic cooperation and exchanges. Quality of Higher education makes the basis for European Higher Education Areas. It is necessary to improve the overall quality assurance criteria and methodologies. Responsibility for quality assurance in higher education lies with each institution itself and this provides the basis for real accountability of the academic system within the national quality framework²². Each Higher Education institution bearing this obligation and responsibility must be consistent and confident in strengthening higher education as one of the most important growth-promoting competitiveness indicators.

The Bologna Process Stocktaking Report 2009 confirms, “higher education institutions in most countries are actively working to establish coherent internal quality assurance systems and align them with external assessment procedures. The main challenge for most countries is to design assessment procedures to measure learning outcomes“²³. “The Stocktaking Report uses three indicators to measure progress in quality assurance:

- *Stage of development of external quality assurance:* countries score best if they have an external system applying to all institutions working in accordance with the European Standards and Guidelines for Quality Assurance;

²² The Most Important Documents of Bologna Process. Bologna–London period 1999–2007. The Ministry of Science and Education of Republic of Lithuania, 2008. Internet access: http://www.smm.lt/t_bendradarbiavimas/docs/Leidiny_Svarbiausi%20Boloniijos%20proceso%20dokumentai%202009-2010.pdf

²³ Quality Procedures in the EHEA and Beyond, 2nd ENQA Survey, ENQA, 2008 m.

- *Level of student participation:* countries score best if students participate in the governance of national quality assurance bodies, in external reviews of HEIs and/or programs, in internal quality assurance processes and in the preparation of self-assessment reports;

- *Level of international participation:* countries score best if there is international participation within external reviews of institutions and/or programs, in the governance of national quality assurance bodies and in external evaluations of national quality assurance agencies”²⁴.

Despite the challenge of higher education governance quality definition and selection of appropriate measure indices, higher education institutions are obliged to take efforts to improve quality of governance and they do so. Summarizing the information in the scientific literature two basic higher education quality improvement techniques can be distinguished. According to Becket ir Brooks, “some authors propose focusing on the quality of administrative and service functions. Others think to focus on the quality of the core products of higher education, teaching and learning. Given current environmental trends, the complex approach shall be applied that puts teaching and learning at the core but does not neglect the efficiency and effectiveness of administrative and service functions.”²⁵.

In 2005, European Quality Assurance Standards and Guidelines applicable to higher education were adopted. This document consists of three parts: higher education institutions, internal quality assurance principles for agencies outside of higher education institutions and their curricula evaluation standards, and quality assurance standards applicable to agencies. As the European Commission²⁶ evaluates them, they are meant as a “generic” common reference with a certain margin for interpretation in the context of different countries, disciplines and institutions. National quality assurance agencies should be encouraged to develop their activities and achieve recognition outside their own country, for example, by agreeing to mutual recognition. Higher education institutions should be encouraged to use foreign-based agencies. Given the fact that the training leading to the award of joint or double

²⁴ Commission of the European Communities (2009). Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Report on progress in quality assurance in higher education. COM(2009) 487 final. Brussels, 21.9.2009. Internet access: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0487:FIN:LT:PDF>.

²⁵ Becket, N., Brooks, M. (2008). Quality Management Practice in Higher Education – What Quality Are We Actually Enhancing? *Journal of Hospitality, Leisure, Sport and Tourism Education* 7(1), p. 40 – 54.

²⁶ Commission of the European Communities (2009). Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Report on progress in quality assurance in higher education. COM(2009) 487 final. Brussels, 21.9.2009. Internet access: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0487:FIN:LT:PDF>.

degree, is becoming more common in Europe, it can be useful to have clear principles helping to avoid re-accreditation.

Innovations in Governance of Universities

Higher education marker emerging in the European Higher Education Area, growing competition (advanced high school and their networks being in competition with each other adjust their governance and create favorable conditions for the fastest possible knowledge, technology, scientific invention and innovation transformation to their countries economies), higher education becoming more massive, state funding reducing, internacionalisation, growing autonomy, formation of internal and external quality assurance processes, involvement of social partners to university governance process resulted in changes in university activities and partnerships with other institutions of higher education as well as formed and continue to form the need for the improvement of university governance.

Compliance of science and research policy with the rapidly changing needs and successful implementation of the objectives is largely dependent on the flexibility and adaptability of strategic planning. These new activities are vital to the prosperity of Europe, universities themselves, businesses, organizations and various regions. Universities had to take a lot of business management principles in order to compete attracting students. One of the major survival criteria for universities is a qualified scientific and pedagogical staff and the contemporary higher education services. Higher education services should be oriented to the customer and the needs of the labor market. Competition covers not only national higher education services market, but international markets as well. Internationalization became a university routine, many universities count internationalization an important priority. Competition in the field of higher education, newly emerged challenges resulted in the university governance transformation. As Research and Higher Education Monitoring and Analysis Centre notices,²⁷ entrepreneur methods copied from business, leadership, return criteria, investment, marketing strategies, have become an ordinary thing in higher education.

External factors for university changing influence internal governance of universities. Within some framework of higher education development, European Commission makes accent to the necessity of switching to students' social contracts with universities. The governance becomes more oriented to the society. Social partners, members of the community are involved in the internal structures of high schools. In view of the studies and research innovations and the growing internationalization, human resource

²⁷ MOSTA. (2009). The complex analysis of science and studies management. Final report. The center of monitoring and analysis of science and studies. Internet access: <<http://www.mosta.lt/senas/Projektai/files/Galutineeataskaita.pdf>>.

management principles of faculties, departments and institutions of higher education vary as well. University infrastructure and financial management systems are modernized. Hill says, “Universities not only execute their traditional functions, but also extend them to the so-called Third University Mission, that constitutes for the answer to the challenges of knowledge-based economy and helps transform universities to entrepreneur organizations able to contribute effectively to the development of economy by direct conjunction of science and innovation in industry, business, trade etc.”²⁸. Thus, universities as higher education institutions transform from a passive participant of economic progress process to more active subject promoting and applying entrepreneurship in daily activities, being the most important connection between higher education and business through the study segment.

Universities become a direct part of the national innovation system, which has to be able to contribute significantly to regional economic progress. Fulfilling of the third task of university forces universities to create the internal structures, interactions, processes that previously were not typical for higher education. Traditional structures, such as academic departments and research centers are subjects to high changes as well, undertaking to conduct the relevant applied research and attracting for research not only scientists but industry, business, and other specialists as well. Invited to the study and teaching, business process experts help students quickly gain experience, expand learning strategies, become normal players in academic life.

European Commission notes, „Higher education enhances individual potential and should equip graduates with the knowledge and core transferable competences they need to succeed in high-skill occupations. Involving employers and labor market institutions in the design and delivery of programs, supporting staff exchanges and including practical experience in courses can help attune curricula to current and emerging labor market needs and foster employability and entrepreneurship. The contribution of higher education to jobs and growth, and its international attractiveness, can be enhanced through close, effective links between education, research and business – the three sides of the “knowledge triangle.”²⁹. For higher education institutions, the task is to become the most important link,

²⁸ Hill, R. P. (2004). The Socially-Responsible University: Talking the Talk While Walking the Walk in the College of Business. *Journal of Academic Ethics*, 2 (1): 89-100.

²⁹ European Commission. (2011). Commission working document on recent developments in European high education systems. Accompanying the document. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems. COM(2011) 567 final Brussels, 20.9.2011. Internet access: <http://ec.europa.eu/education/higher-education/doc/com0911_en.pdf>.

effectively linking research and business, resulting in increasing the country's competitiveness and create conditions for sustainable and inclusive growth.

Conclusion

Processes of higher education becoming massive, commercialised and industrialised as the market and the needs of society gradually gain an increasing influence on university funding, curriculum development and study quality control assurance, create a paradoxical situation when the state, on the one hand, give higher education a relatively broad institutional autonomy by the regulatory means, enabling independent decision-making in the field of internal governance; on the other hand, by other state regulatory instruments (state funding, accreditation and academic performance evaluation procedures) make a direct impact on high school activities.

The new management strategies can ensure meeting the need for the highest professional standing and eligible humanistic social sciences and humanities professionals for the society to develop higher education corresponding to global standards. Acting in such disposition, University would assist in preparing future leaders to help achieve the strategic objectives of public administration and function as active expert of public and social development and participants of the changes.

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Becket, N., Brooks, M. (2006). Evaluating quality management in university. *Quality Assurance in Education*, 14(2).

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