

Roadmap to future policy making in Latvia and Norway

Prepared in context of project “EU policies impact to the transformations of the higher education and research system in Norway and Latvia”.

The project EU impact on higher education and research in Norway and Latvia has analysed policy development and institutional practices in Latvia and Norway, in light of EU policies for higher education and research, with a forward looking aim for strategic development.

In this note, key insights from the project are summarized and a number of policy strategies are identified furthering the integration of Latvia and Norway into the European Higher Education Research and Education Area.

1. Summary of key results from the project

Background and approach in this project

EU policymaking in higher education can be described as a complex multi-level, multi-site and multi-actor endeavour (Chou, Jungblut, Ravinet, & Vukasovic, 2017), where impact on national and institutional level can take place through different means and mechanisms. A key starting point for the study is that European influences rely on two main pillars – the Bologna Process and various EU led activities (Maassen & Musselin, 2009; Vukasovic, 2014).

The very notion of Europeanization can still be considered as ambiguous and multifaceted (Olsen, 2002). In the context of this project, Europeanization was thus limited to the so-called “downloading” process (Börzel & Risse, 2000), referring to change processes that take place as a result of European processes, policies and instruments. The starting point in the project was that EU policy output can be conceptualised according to two main logics – one that focuses on issues of standardization, and one that focuses on excellence. The policy “package” that emanates from Europe is thus itself also potentially contradictory by emphasizing different logics. This suggests that it is the nature European policy initiatives in

this area that also requires attention. Given that we can expect that policies in most instances become translated to national context rather than adopted face value (Maassen & Musselin, 2009), and that there is a difference between impact on public and private life of universities (Neave, 2009) and between impact on structures and impact on culture (Witte, 2009), suggestions for further development need to be contextualized and empirically studied. Impact is thus contextualised and dependent on existing policy legacies in the specific country (Gornitzka & Maassen, 2014). The project distinguished between several sites for analysis for identifying impact by analysing national policies as well as institutional behaviour and role of various individual actors.

Role of EU in policy development – overall approach and empirical insights from project

The ambiguous nature of EU policy in higher education is also an important starting point for understanding its impact on national level. First of all, this concerns the potential scope of impact that can be expected. In other words, how successful have European policies been in the area of higher education. The general argument linked to Bologna is that there is surface convergence, but persistent diversity. However, analysis in the project (Elken, 2016) has also emphasized that in strict terms, EU policies in higher education have rarely been a success in terms of the specific policy aims outlined. Even initiatives that are widely considered as a success (i.e. Erasmus initiative) have not in all instances met their specific goals. At the same time, this would not indicate that these can be conceptualised as failures *per se*. The analysis emphasizes the role of Europe and EU as an ideational construct, emphasizing that policy impact is not only about adopting policies and instruments, but also about finding common ground to discuss policy ideas, common issues and common solutions. An analysis of impact should take into account this other function of EU policies. Furthermore, while EU has always engaged in a number of different working modes for policymaking, dependent on the legal capacity in the specific sector, one can identify a rise in the use of standards as a specific mode for policymaking. In this project, the increased use of standards-based governance was analysed, suggesting that it represents a novel architecture for EU policymaking, and thus also EU impact (Elken, 2017). This would also call for a re-thinking of the notion of impact. As standards can be seen as different from traditional legal or financial instruments, the effects of this coordination mode are more indirect. Examples of this can be found largely on the educational side of higher education coordination in Europe, for instance, in the use of ECTS,

qualifications frameworks or degree structure. While these have become widespread, there can still be considerable variation in how they are nationally implemented.

Regarding research, the picture that emerges is considerably different. In analysis of research funding in Europe, it is also rather evident that with respect to framework programmes, there is a clearly two-speed Europe that emerges and the gap between “old” and “new” Europe is widening. Analysis by Geske and Berzina suggests a number of critical points that explain this pattern and point towards concerns for the future. Existing infrastructure and resource imbalances also contribute to varied success with European funding. Furthermore, research is not sufficiently prioritized locally – as a policy objective or by private industry in terms of funding. There are also issues of expertise, project management and organization. All of these issues point towards inherent imbalances in current European research landscape where policy attention needs to be directed.

When studying how European policy initiatives and ideas are adapted into the strategic plans of higher education institutions in Latvia and Norway (Ozolins et al.), the results suggest that political priorities and economic incentives are not always strong predictors of policy adaptation. The fact that higher education institutions in both countries pay more attention to educational than to research and innovation issues in their strategic plans is not least interesting given the quite different economic incentives linked to these policy areas. The article shows how national and institutional characteristics filter how European policy ideas are downloaded at institutional level.

Put together, the findings from several of the studies conducted suggest that EU impact needs to be understood in a more nuanced manner and not only a one-dimensional analysis of policy transfer or implementation. Instead, one needs to pay attention to the mode of influence, the diversity of contexts and national adaptations processes. European research landscape is diverse and characterised by its inherently two-speed nature. Other mapping of various quantitative data in the project supports this picture of European HE landscape as rather diverse and multifaceted, where Norway and Latvia show stark differences in terms of their overall capacity but also aspects such as student mobility.

To conclude – when analysing EU impact and developing a strategic roadmap for aligning European and domestic policy ambitions there is a need to apply a nuanced understanding of the concept of impact. Impact is thus not only about adopting policies, but also about creating the conditions for sharing ideas, best practices and in this manner facilitating policy learning.

Issues on national and institutional level – overall approach and key empirical insights from the project

National policy development

Dedze and Rubene (2016) in this project analysed the historical development of Latvian higher education in its transfer from Soviet era towards the new European context. System transformations since 1991 have been dramatic and marked by both returning to the European community as well as a localization of higher education reforms. In terms of specific EU impact – Latvia had already moved to bachelor-master division before the Bologna Process was introduced in 1999. However, as it is possible for students to continue towards a Masters degree, the role of Bachelor as a self-standing degree leading to employment is rather difficult. Furthermore, they point out the complexities of attracting foreign students and staff due to language requirements. Analysis by Purgailis and Apsite (2016) in this project also pointed out the complex context of Latvian higher education by highlighting a number of key historical turning points since 1991 as well as a number of key issues for system development.

In terms of research funding, Latvia has comparatively low funding per GDP, and is thus highly dependent on EU funding (Straujuma, Lapina, Gaile-Sarkane, & Ozolins). However, this funding does not come from competitive programmes such as FP, but other funding for education as well as structural and cohesion funds. This, however, comes with strings attached, creating some limitations for national strategic development. Erina, Erins, and Berzins (2017) show that in comparison with the Nordic and Baltic region, Latvia has the lowest investment of % per GDP to higher education. While one would assume that there would be differences in public funding between the Nordic and Baltic region, the three Baltic countries also show different approaches to public funding of higher education. While Estonia has increased its share of GDP to higher education funding and Lithuania significantly decreased its public funding, Latvian funding nevertheless remained lowest among the three. Furthermore, Latvia has the lowest share of funding to higher education of the public funds spent on education.

Both studies demonstrate that the Latvian system has developed in a way that creates a number of important contextual differences when compared to other HE systems in Europe, including Norway.

Institutional transformation

Evident in the analysis is also that institutional response to EU concepts are conditioned by national policies (Ozolins et al.). Having in mind that impact should be conceptualised beyond transfer, this suggests that there is a need to analyse how institutions strategically respond to the pressure to be more entrepreneurial. Analysis in the project that focused on institutional strategic responses to pressure to be more entrepreneurial showed specific national variations between Latvia and Norway (Kasa, Elken, Paalzow, & Pauna). Where Norwegian institutions were more concerned with obtaining competitive EU funding from FP and ERC, Latvian focus is more on capacity building and reform of the higher education sector. Both aims are framed in the context of entrepreneurialism. The two countries also show differences in their general approach to higher education governance that largely conditions institutional responses. Limited resources and limited EU funding also leads Latvian institutions to be more inward oriented in discussions of EU impact. However, future success with EU policies is viewed as a prerequisite for reorganisation. At the same time, it is also clear that institutions further need to enhance their strategic capacity (Zeps, Iljins, & Ribickis) and further develop their internal processes with respect to leadership and management. The fact that the population of Norway is almost three times that of Latvia, the number of higher education institutions in the countries are quite similar suggesting that there are a number of smaller institutions in Latvia. Norway has recently implemented a large national restructuring reform creating a higher number of larger institutions driven by the argument that administrative capacity (and the professionalization that will take place as a result) will improve the strategic ability of the institutions to adapt to a more competitive environment (Ozolins et al.). While larger Norwegian institutions also demonstrate interest in pursuing European research and innovation opportunities, the larger Latvian institutions do not display the same pattern. In fact, it seems that it is the smaller institutions that are most eager to adapt to European policy ideas in Latvia. However, if size indeed is a factor conditioning both adaptation and implementation capacity it can then be questioned whether these institutions will be successful in achieving their ambitions.

Analysis of entrepreneurship education further showed that it is a fairly new concept on national level, thus requiring for EU to engage in creating policy learning in a top-down manner with prescriptive policy documents (Pauna & Kale, forthcoming). However, the analysis also showed the limitations of top down approaches, and emphasized the necessity of national adaptation. Despite introducing entrepreneurship education as a concept, there is a lack of coordination and communication, thus leading to the notion to be “floating” between various institutions. This illustrates well the limitations that emerge when European policy objectives are not sufficiently translated to local context and linked to concrete policy issues in the system. For business education, which also has been specifically analysed in the project, the analysis showed that there is a need for more innovative teaching and learning methods, as well as a better coordination with national policies.

European processes have also had a significance for the development of academic staff. Institutional action has not sufficiently reflected the necessity for professional development among academic staff. In particular, analysis (Baranova, Dedze, & Rubene) shows that challenges are related to the teaching function as well as organizational culture and internationalization of higher education. Taking into account the transitional nature of Latvia, there is a need for a continued normative discussion on what academic development is and should be in the Latvian context.

External dimension

Impact also concerns the way in which higher education institutions engage with their local environment, that is – to what extent is one able to identify elements of the university-industry collaboration models that are also prominent in the EU documents. Satrevics analysed the role of triple helix model of university-industry-government relationships for regional development and found that it represents an important model for regional development. In particular, the analysis shows the importance of entrepreneurial development of universities as an essential component of value creation. However, this effect is dependent on the overall capacity in the region and of the universities. The article builds on the notion of 3rd generation university – where universities are conceptualised as networked with a range of various actors that can facilitate technology transfer and commercialization of research. The article shows that regions with advanced university development show higher impact of triple helix relationships. Given that focus on the knowledge triangle and cooperation with business has also been high on the EU agenda, the article also illustrates that not only is there variation

between countries, it is also likely that such ideas would have a differentiated effect in various regions within a single country.

Summary

Thus, the analysis in the project shows varied foci and modes of impact. Impact can be analysed in terms of strategic development of institutions where non-binding European initiatives are translated to national regulation, or when EU funding instruments create dependencies (Straujuma, Ozolins, Lapina, Gaile-Sarkane, & Stensaker, 2016). However, impact can thus also take place in a more indirect manner, as when normative ideas related to education are receiving much attention at the institutional level (Ozolins et al.), or when learning outcomes are adapted for transfer of know-how (Dubickis & Sarkane).

The analysis not only shows the complex and ambiguous nature of impact, it also emphasizes the complexities of the transitional stage of Latvian higher education where highly institutionalized elements of the higher education system are mixed with elements that are less stable and established. A double complexity emerges when impact is exercised on a system already undergoing significant challenges. However, given that such critical junctures can also open space for innovation, one can also view this as a window of opportunity for new change processes.

2. Policy pointers in context of European developments in higher education and research

National level

- Norway and Latvia are two countries with different funding levels for higher education. For Latvia to enable its higher education system to develop further there is a need to increase the level of funding for both higher education and research. Hence, funding of higher education in Latvia needs to be on par with comparable countries to assure sustainable development of the sector. This is essential to also strengthen national strategic development of higher education and research. Investment in research infrastructure is essential.

- However, as economic resources are scarce, both Norway and Latvia should explore the possibilities of the “two-speed” Europe developing, and the fragmented advancements European countries are experiencing in both research and higher education. In essence, the “two-speed” Europe opens up for possibilities for increased specialisation and to explore niches in a more competitive sector. While competitive funding is seen as important in both Latvia and Norway, the success rate for both countries can be seen as below expectations. While some successes can be noticed, it seems that both countries are struggling to adapt to the competition at European level. A way to close this gap can be to concentrate resources and capabilities in the areas where the countries have academic strengths, and where they are potentially attractive partners for others. In essence, this would mean to apply a “two-speed” process internally in each of the countries, where those academic areas currently lagging behind also need to have long-term strategies developed enable them to catch up at a later stage.
- However, “two-speed” processes may suggest that national policy initiatives may need to develop instruments that can differentiate institutions in the higher education landscape, and that for example generic economic incentive structures are not too dominating `forcing` all institutions to prioritise in similar ways. While a number of countries during the latter decade have created result-based funding systems, there is a tendency to put too much emphasis on efficiency indicators while indicators and political priorities focusing on institutional diversity are downplayed. In Norway, there are currently political initiatives to develop institution-specific contracts where institutional profiles and more differentiation could be stimulated. This may be an interesting option to consider also in Latvia.
- As part of a process to strengthen the international focus of research and higher education, it can also be argued that a further professionalization of the national policy support structure is needed, especially in Latvia. As many institutions either are lacking capacity or lacking experience in seeking and handling European projects, there is a need to support those institutions having European ambitions, and to develop support structures that also can enhance mutual learning between institutions. Successful examples can also be drawn from Norway, i.e. forward and improvement oriented field-level subject evaluations of research. This can also be seen as a means for international benchmarking.

- In both Latvia and Norway, it can also be argued that strengthening the quality of both research and education should be high on the agenda. European policies and initiatives can be extremely important in this process as they represent the often needed external “pressure” for development. As underlined by the analysis undertaken as part of the current study, these policies and initiatives still need to be sensitively translated to fit national traditions and cultural characteristics. Even in a Europe of “standards”, there are many possibilities to adapt to such standards in a way that pay respect to national diversity while at the same time representing a significant push for change. European standards and policy initiatives may be more ambiguous than often believed, and represent an important policy resource for national governments to explore.
- Given the limited role played by the domestic private sector in creating well-functioning “Triple-Helix” mechanisms in the innovation systems in both Latvia and Norway, both countries should consider ways to attract foreign capital and knowledge investments. While a number of countries have created incentive structures for public-private collaboration directed at higher education institutions – often with limited success – it may be more interesting to explore how economic incentives could be directed at private actors securing a more mutual interest in collaborative efforts.
- The substantial interest in adapting to European initiatives in the educational area by both Latvian and Norwegian institutions also suggest that more national attention perhaps should be given to how educational initiatives may provide a possible bridge between education on the one side and research and innovation issues on the other. By prioritising international collaboration, including joint degrees, at master and PhD-level it is possible that several synergies may be created benefitting both educational and research and innovation aims.
- However, international collaboration is often conditioned by institutional capacity and the existence of robust academic foundation – both regarding number of students and number of academic staff. Norway recently has implemented a large national reform where several smaller institutions have merged, and the relatively high number of institutions in the Latvian higher education landscape may suggest that a similar process should be considered. Larger and more robust institutions could potentially create institutions that are able to compete at a European level, and that are also attractive for international collaborative initiatives. An additional advantage of creating a higher

education landscape with fewer institutions is also that national oversight and follow-up of individual institutions would be easier.

Institutional level

- The institutional landscape is very diverse in both Latvia and Norway, comprising of large and small, specialised and generic institutions, and with both public and private ownership. These institutions have different starting points for further development, and have different resources and capabilities to utilize in the process. However, there seems to be some common denominators between these institutions regarding their capacity to act as strategic actors in a more competitive sector. The current study suggest that such capacity perhaps have less to do with a particular governance model, and more to do with developing effective decision-making processes where different levels in the organizations are coordinated and where information is used strategically both internally and externally. Hence, developing the institutional capacity to collect, handle and strategically use information seems to be a promising way forward to boost the strategic actor-hood of institutions.
- However, strategic actorhood is not only dependent on strategic capacity at institutional level, but also of academic capacity. The recent interest within the EU to take on the so-called grand challenges in our future societies (health, energy, environmental issues, security, etc.) are often linked to the establishment of more inter-disciplinary research groups and setting capable of handling the complexities implied by the grand challenges. The disciplinary organization within many universities and colleges hardly match this requirement, and internal and academic traditions often create barriers for inter-disciplinary collaboration. These internal boundaries are often reinforced by vertical command structures and economic funding models not encouraging horizontal collaboration. Higher education institutions in both Latvia and Norway should engage in more experimentation with respect to how academic collaboration across organizational and disciplinary boundaries could be realized internally. The creation of more inter-disciplinary study programs could be interesting options to pursue in this respect as this potentially could imply stronger collaborative links with respect to both education and research.
- As part of the ambition to develop more strategic higher education institutions, there is also a need to further the systematic training and professional development of the staff

working in the institutions. While the administrative and the academic staff is becoming more specialised and professional, not least due to increasing formal qualifications, our data suggest that they often lack the informal knowledge needed to function effectively in their job. As higher education institutions have become larger and even more complex in their formal organizing, coordination and integration vertically and horizontally have become challenges for many higher education institutions. These coordination and integration challenges are difficult to solve structurally, and institutions may benefit by investing in human resources that can take on this task.

- As more recent European policy initiatives have emphasised that teaching and learning approaches in higher education needs to be more student-focused, it is also clear from our study that institutions in both Latvia and Norway need to invest and innovate in their teaching and learning processes. There are examples of institutions in both countries taking interesting initiatives to develop their teaching and learning strategies, but there seems to be lacking truly institution-wide initiatives to change the ways teaching and learning is conducted. While established traditions and styles in institutions may have much to offer in this process, it can be smart for institutions – especially in a more competitive environment – to develop more systematic approaches to ensure the quality of the educational provision, and perhaps even a more distinct institutional profile in their teaching and learning activities. Such a profile may not least be attractive for both domestic and international students.

References

- Baranova, Dedze, I., & Rubene, Z. Challenges in Transformation of the Professional Development of Academic Staff in Latvia.
- Börzel, T. A., & Risse, T. (2000). When Europe Hits Home: Europeanization and Domestic Change. *European Integration online Papers (EIoP)*, 4(15).
- Chou, M.-H., Jungblut, J., Ravinet, P., & Vukasovic, M. (2017). Higher Education Governance and Policy: An Introduction to Multi-issue, Multi-level, and Multi-actor Dynamics. *Policy and Society*.
- Dedze, I., & Rubene, Z. (2016). Universities in Latvia - from the Soviet to European Higher Education Area. *Foro de Education*, 14(21), 13-38.
- Dubickis & Sarkane. Transfer of Know-how Based on Learning Outcomes for Development of Open Innovation.
- Elken, M. (2016). Failures in the context of soft policy coordination of higher education policy in Europe (paper presented at ECPR 2016)
- Elken, M. (2017). Standardization of (higher) education in Europe – policy coordination 2.0? *Policy and Society*, 1-16. doi:10.1080/14494035.2017.1278873
- Erina, J., Erins, I., & Berzins, G. (2017). Higher Education Funding Policies in the BSR Countries and Higher Education Tuition Expenses and Thematic Field Indices in Latvia.
- Geske, A., & Berzina, D. Two-speed Europe in the Area of Research.
- Gornitzka, Å., & Maassen, P. (2014). Dynamics of convergence and divergence: Exploring accounts of higher education policy change. In P. Mattei (Ed.), *University Adaptation in Difficult Economic times* (pp. 13-30): Oxford University Press.
- Kasa, R., Elken, M., Paalzow, A., & Pauna, D. Conditioned entrepreneurialism: Strategic responses of universities in Latvia and Norway.
- Maassen, P., & Musselin, C. (2009). European Integration and the Europeanisation of Higher Education. In A. Amaral, G. Neave, C. Musselin, & P. Maassen (Eds.), *European Integration and the Governance of Higher Education and Research* (Vol. 26, pp. 3-14): Springer Netherlands.
- Neave, G. (2009). The Bologna Process as Alpha or Omega, or, on Interpreting History and Context as Inputs to Bologna, Prague, Berlin and Beyond. In A. Amaral, G. Neave, C. Musselin, & P. Maassen (Eds.), *European Integration and the Governance of Higher Education and Research* (Vol. 26, pp. 17-58): Springer Netherlands.
- Olsen, J. P. (2002). The many faces of Europeanization. *JCMS: Journal of Common Market Studies*, 40(5), 921-952. doi:10.1111/1468-5965.00403
- Ozolins, M., Straujuma, A., Gute, L., Gaile-Sarkane, E., Lapina, I., Ozolina-Ozola, I., & Stensaker, B. Institutional attention to European policy initiatives: A matter of policy area, political and economic dependency, or administrative capacity? (*in review*).
- Pauna, D., & Kale, M. (forthcoming). Exploring the landscape for entrepreneurship education.
- Purgailis, M., & Apsite, A. (2016). EU policy impact on higher education capacity in Latvia. *New Challenges of Economic and Business Development*.
- Satrevis, E. Impact of stakeholders' groups on development of regional entrepreneurial ecosystem.
- Straujuma, A., Lapina, I., Gaile-Sarkane, E., & Ozolins, M. Policies, Legislation and Regulatory Compliance Governance - impact on Management of higher education and research institutions in Latvia.
- Straujuma, A., Ozolins, M., Lapina, I., Gaile-Sarkane, E., & Stensaker, B. (2016). The Role of regulatory compliance governance in strategic management of higher education and research institutions.
- Vukasovic, M. (2014). When and How Does Europe Matter[quest] Higher Education Policy Change in Croatia, Serbia and Slovenia. *High Educ Policy*, 27(3), 403-423. doi:10.1057/hep.2013.36

- Witte, J. (2009). Parallel Universes and Common Themes: Reforms of Curricular Governance in The Bologna Context. In A. Amaral, G. Neave, C. Musselin, & P. Maassen (Eds.), *European Integration and the Governance of Higher Education and Research* (Vol. 26, pp. 227-255): Springer Netherlands.
- Zeps, A., Iljins, J., & Ribickis, L. Integration of EFQM excellence model in RTU development strategy. Pilot project review. .