

# STRATEGIC MANAGEMENT IN HIGHER EDUCATION SYSTEM: METHODOLOGICAL APPROACHES

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## ABSTRACT

*The article deals with the problems of strategic management in the system of higher education. Today Russian organizations of higher education system are in active search for the strategies of restructuring and development of new managerial and organizational mechanisms. According to the authors, universities should be the main elements of innovative development of infra-structure of their countries, and make a contribution to the formation of human capital. However, to date, strategic management in Russian universities are still deprived of their own serious methodological concept.*

*The investigators reviewed methodological approaches of strategic management in higher education system of such the authors as P. Drucker, I. Ansoff, K. Tavernier, B. Sporn.*

*The analysis of development strategy was made; the mission and the main achievements of the university were considered on the example of Kazan (Volga) Federal University.*

*The paper concluded that, since the institutions of higher education have their own specifics, their strategic management mechanism should be based on its own methodology and should differ from the methodology of strategic management of commercial organization.*

*Conclusion noted that the strategic management is a risky management, and in the case of its implementation at the university level, the risk of social consequences of the risks, associated with the employment of personnel, is increasing.*

**Key Words:** *Strategic Management, Managerial Strategies, Higher Education, Education Management, Innovative Development, Management in Education*

## INTRODUCTION

Currently changes in higher education system affects not only informative and educational components, but also the scientific and technological components of education and some strategic concepts, developing by national universities.

The problem of strategic management in the system of higher education is not new at the present day, but should become priority in scientific understanding. In spite of quite a number of scientific papers on this problem - so far there is no single methodological "frame." In the context of strategic university management, the state has a great importance - because at this level there is an understanding of higher education strategy, since the role of the state is unquestionable, because it is the main customer and the subject of influence, forming curricula, programs, types of the work and rules of educational activity assessment. (Efimov and Lapteva, 2012)

The significance and importance of universities are largely determined by their ability to solve the following important tasks: to become a major part of the infrastructure of states and territories innovative development; to contribute to the formation of human capital, to

reproduction and development of socio-cultural code of each society and humanity as a whole. P. Drucker accurately described this new role of knowledge as "sociogenerating": undergone radical changes, knowledge from the sphere of existence turned into a sphere of activity. (Drucker, 1993). And, therefore, the universities today, more than ever, play the role of creators a new society, using knowledge for the production of knowledge: "systematically and consistently applying the knowledge to determine what new knowledge are required, whether the obtaining of such knowledge appropriate and what should be done to ensure the effectiveness of its use. In other words, knowledge is used for systematic development and innovation." (Drucker, 1993) This new role of the universities, in fact, involves the creation of strategic management mechanism, aimed at the development of their strategic advantages, which can ensure the devolution to the educational management in innovative development mode. (Burganova, 2004)

Strategic management is becoming the one of the most promising management mechanisms of higher education development in conditions, where universities are faced with new opportunities and new risks, arising due to globalization, the increasing role of human factor. Today, many Russian universities, both large and small, begun to prepare their own development strategies, reflecting the vision of the university development prospects.

The management of higher education becomes the independent field of studies, and strategic management is a separate and completely independent direction. There are an increasing number of works in the West and in Russia, the authors of which try to comprehend the classical heritage of strategic management in relation to specific area of university management. (Stukalina, 2013; Kettunen, 2011) However, despite the active discussion, many theoretical and methodological aspects of the problem are still waiting for their solutions.

## **MATERIALS AND METHODS**

Strategic management is difficult to describe in the framework of a single concept or paradigm. Consider some of the approaches to strategic management.

As you know, guru of American management A. Chandler was among the first to give the idea of strategy to the management theory. He formulated the following principle: "The strategy defines the structure" (Chandler, Alfred D, 1962), and this means the priority of the strategy before the structure. It is important to ensure the adequacy of the organizational structure strategy; as long as changes introduce in strategy, it is necessary to make appropriate changes in the organizational structure. We have seen on the example of many leading foreign universities, that just the education market demands, the pursuit of efficiency and situational changes encourage universities to develop a new strategy.

Similarly, for developing universities strategy, the ideas of I. Ansoff have exceptional value (Ansoff, 2011), because he formulated the main principle of the strategy: it is focused on the external environment of the organization; the analysis and interpretation of the organizational environment is the key to its strategic success.

K. Tavernier ideas had a great influence on the development of strategic management mechanism in higher education, because he offered the most popular approach to the management of strategic changes at the Universities, associated with the SWOT-analysis. (Tavernier, 1991) He shows that there is a real possibility to explore the university and its environment in the framework of SWOT-analysis in terms of the business world: the university produces its own product, has certain resources, competes on a certain market and occupies its

certain share; it is characterized by a specific production process, it is associated with customers, etc.

The most important mechanism of strategic university management is a mission - this conclusion was reached by B. Sporn, the founder of the open systems theory in management science and conductor of a systematic approach to strategic management in higher education sphere. (Sporn, 1999) On the basis of qualitative empirical researches, B. Sporn showed that the effectiveness of strategic management depends on the ability of the University to define precisely its mission. (Sporn, 1999)

## RESULTS

In a fast-changing environment the great bulk of Russian universities are involved, to some extent, in market-oriented activities, based on competition for resources. These new conditions force universities to work, guided by a reasonably chosen, unique concept that meets the realities of the particular socio-economic situation in the region. We illustrate the strategic development of one Russian university - Kazan (Volga) Federal University (further KFU), and the changing process of its activities.

Like the vast majority of public universities in Russia, Kazan (Volga) Federal University during the last decade of the twentieth century, was forced to look for direction of active development. Over the past 20 years, the activity of Kazan (Volga) Federal University can be conventionally divided into two phases: adaptation to the new conditions in the 90 years of the twentieth century ("survival") and development under the conditions of recovery in Russian economy in the 2000s – when there were the realization of major projects, infrastructure renewal, number of development programs of KFU were designed at this time.

Its own unique approach to the university management was developed at Kazan (Volga) Federal University. In general, the strategic mission of the federal universities – is the formation and development of competitive human capital in federal districts through the creation and implementation of innovative services and developments. As early as in 2010, Kazan (Volga) Federal University choose strategic course, adopted the Development Programme (Development Programme for Federal State Autonomous Educational Institutions of higher education "Kazan (Volga) Federal University" for 2010 – 2019) and focused financial and infrastructural, scientific and human resources to priority areas of development.

Since the assignment to Kazan (Volga) Federal University the status of federal, its organizational structure has undergone a number of changes. Currently, Kazan (Volga) Federal University include 16 institutes, 1 faculty and 3 high schools, which are combined in natural sciences, physical and mathematical and socio-humanitarian groups.

Five priority directions for solving the problem of forcing transformation of Kazan (Volga) Federal University in a world-class research university were defined:

1. Biomedicine and pharmaceuticals.
2. Oil production, refining and petrochemicals.
3. Info-communication and space technologies.
4. Advanced Materials.
5. Socio-humanitarian researches, within this framework Kazan (Volga) Federal University is planning to 2020 to achieve globally recognized scientific results, following its development strategy.

At the same time, new interdisciplinary disruptive research areas are formed based on the analysis of global trends in the development of science, world and regional markets, prospects of scientific schools of the University.

One of the main tasks of Kazan (Volga) Federal University is to develop a strategic partnership and networking with leading universities, research centers and organizations in Europe, USA, South-East and East Asia and the Middle East. Only within the framework of partnership agreements, the University will realize scientific and educational cooperation with 190 universities, scientific centers and companies from 54 countries. Kazan (Volga) Federal University cooperates with the largest enterprises of the Republic of Tatarstan, as well as with the leading production and engineering companies in Europe and Asia. Cooperation activities include the creation of training systems for enterprises, the development of joint research laboratories and educational centers, consulting and other activities.

In general, Kazan (Volga) Federal University expanded its presence and increased its positions altogether in 10 leading Russian and international rankings. Kazan (Volga) Federal University moved to the fourth place after St. Petersburg, Moscow and Novosibirsk universities, among 78 classical universities of the country.

And although today Kazan (Volga) Federal University has some difficulties, related to budget cuts, tighter fiscal policy, the optimization of the state, it can be stated about the successful implementation of strategic goals.

## **DEDUCTIONS**

Turning to the deductions, we should note that Russian universities strategies are often developed by copying American or European model of Research University. However, the analysis of historical development of Russian education system and academic traditions force us to think about the choice of its strategic path.

Successful implementation of the strategy depends on radical changes in all components of the university, concentrated work of the entire team for coordination of these changes, and focus the efforts on the embodiment of initiatives and achievement settled strategic goals.

Underlining the importance of the above ideas of strategic management theorists and the analysis of strategic development of one of the Russian higher education universities (Kazan (Volga) Federal University) for the formation of managing mechanism of universities changes, it should, however, recognize that it reflects the specifics of management mainly economic organizations, compelled to exist in competitive environment of the market. Since higher education institutions have their own specifics, their strategic management mechanism should be based on its own methodology, differ from the methodology of strategic management of commercial organization.

## **CONCLUSION**

Strategic management of universities should be oriented not only on the implementation of their cultural and economic goals, but also on fulfilling its social obligations towards the population and employees, on creation for them conditions of desired level and quality of life. We must not forget that the strategic management is a risky management, and in the case of its implementation at the university level, the risk of social consequences of the risks, associated with the employment of personnel, is increasing. The university cannot risk the health and welfare of its employees and the subject of university management should be responsible for the

negative consequences of their bad decisions. This fact determines the particular complexity of the strategic management in higher education system.

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