ABSTRACT

The paper looks at the reforms in higher education of Republic of Uzbekistan. In particular what measures have been taken to award a greater degree of academic and financial independence to move from centralized to autonomous management of HEIs. There are number of law and regulations have been put in place to support this change. The concept of corporate governance in higher education must be studied and implemented to ensure effective management of HEIs with the aim to improve and develop academic quality and strategic development.

KEYWORDS

Corporate governance, university autonomy, academic autonomy, reforms in higher education, strategic development.

INTRODUCTION

The reforms that began in Uzbekistan in 2016 have affected all sectors and industries, including higher education. The main challenge in solving existing problems for 2017 was the coverage of higher education. To address the issues in higher education and continue reforms President of Uzbekistan Shavkat Mirziyoyev signed a decree “On approval of the Concept of development of the public education system of the Republic of Uzbekistan until 2030” on 29 April 2019. The Decree approved the Concept of development of the public education system of the Republic of Uzbekistan until 2030 and the roadmap for its implementation. (lex.uz) Decree includes such points as the expansion of the accessibility of higher
education through the opening of new universities, including private and joint international universities, as well as the expansion or increase in quotas for admission to public universities.

If you look at the numbers, in 2016 it can be noted that state universities had quotas for admitting up to 80,000 new students per year in all programs.

Private and international partner universities, as the providers of higher education services, could cover an additional 4% of the existing quotas. For 2022, the number of sits for admission of new students of higher education institutions at public universities has increased to 230,000. On top of that, the number of places at private and international universities, whose number sufficiently increased to 37 for 2022, was no more than 30,000. (lex.uz)

The number of applications for admission to state universities in 2022 exceeded 1,150,000, which indicates the need for further increase in sits availability for new students, in order to achieve the set goal of 50% coverage of admission to higher education institutions.

With regards to the above-mentioned figures, we can comprehend that public universities are the main providers of higher education in Uzbekistan. In this regard, the effectiveness of university governance, their subsequent development and the ability to expand and compete for talented students is one of the important goals for further developing accessibility and improving the quality of education in Uzbekistan.

Accordingly it becomes obvious, that government realized limitation of state budget to further guaranteeing sustainable budgeting of incensing number and capacity of state universities, and the strategy for granting greater autonomy to the state university of Uzbekistan in self-governance and management, development of curricula, expansion of infrastructure and contemporary approaches on recruitment, talent management and motivation of academic and administrative staff of universities becomes the only right approach towards expansion and increasing capacity of state universities.

To carry out these reforms in 2018, by the decree of the President of the Republic of Uzbekistan, 10 state universities, in a pilot mode, were granted with administrative and academic autonomy, which implied the power of selected universities to independently run administrative and management decisions on the institutional development and expansion, enhancement of existing infrastructure, as well as the expansion and change of existing programs and educational services’ modes of provision. (lex.uz)

Looking back to the history of higher education in Uzbekistan it is worth remarking that the state universities of Uzbekistan have never had the authority to operate autonomously. Accordingly, all administrative, managerial, and academic decisions had to be coordinated and approved by higher state bodies. Looking at the hierarchy of higher governing bodies of higher education, which includes the Ministry of Higher and Secondary Specialized Education of the Republic of Uzbekistan, the Academy of Sciences of the Republic of Uzbekistan, the Cabinet of Ministers and the President Administration, we could state on the centralized approach of governance, when all state academic institutions were anchored to the top state bodies and never had their own development strategy, as well as policy development and administrative regulations were developed and implemented by higher authorities, without coordination and analysis of the needs of the universities themselves. All processes were centralized and put from top to down.
Considering above mentioned conditions, without the existence of previous culture and experience of independent governance of universities, the attempt by the country's leadership to enable the university to switch to an independent autonomous governance mode was something completely new and therefore was called a pilot experiment that should serve as a springboard for studying and understanding the possibilities and ways to create a new culture and experience, which in the future should be extended to other state universities in the Republic of Uzbekistan.

In December 2021, a new decree of the President of the Republic of Uzbekistan was issued that more broadly described the autonomy granted to state universities, the number of which was increased from 10 to 40 (https://lex.uz/pdfs/5793251). This document described the phased gradual provision of independent financial management by selected 40 universities, less dependence on the state budget, the creation of supervisory boards, which plans to replace the higher state bodies in coordinating and making decisions regarding the annual budget of the university, quotas for the admission of new students to academic programs, reviewing existing curricula and opening new ones, approving the cost of curricula, hiring and dismissing senior administrative staff of the university, management and expanding the infrastructure of educational institutions.

Correspondingly, state universities should start developing individual strategies for the long-term development of universities, according to which each of them should operate within the existing realities and trends in changing economy, and also develop their own internal rules and policies to regulate the internal and external activities of the university.

It should be noted that the practice of corporate governance in Uzbekistan is still at the stage of initial development and the activities of the Supervisory Boards of universities are not regulated by separate legislative or administrative norms approved by state bodies. There are also challenges associated with the lack of professional staff and qualifications associated with work experience in the composition of the supervisory boards, which are the corporate governance body of the organization. In this regard, it can be observed that the activities of state universities, which received financial and academic independence by presidential decree, require the restructuring of existing corporate governance systems for the activities of supervisory boards, and which faced difficulties in effectively functioning and accepting delegated powers from higher state bodies.

If we turn to the practice of the activities of the supervisory and trustee boards of the organization, it can be noted that in different countries, based on the historical and cultural characteristics of development, the processes of activity and regulation are often fixed at the legislative level and are supported by constant monitoring and discussion through the provision of best corporate governance practices in various sectors of the state economy (Chait, R.P., Ryan, W.P. and Taylor, B.E., 2011). Directors and members of the board can receive educational trainings by taking special courses on management and governance to better fulfill their role. Also, within the framework of the activities of the councils, there is a practice of internal distribution on topics and areas that are within the scope of responsibility of this body, through committees and subcommittees that regulate financial and administrative activities, as well as assess the activities of the organization's management, its hiring and dismissal, remuneration packages and strategic development (Ranson, S., 2008).
By review of the activities of supervisory boards based in state universities that have received financial and academic autonomy, it can be noted that these practices and approaches have not been reflected in their activities over the past 4 years; however, there is no legislative and regulatory framework that would impose certain requirements and obligations on the qualifications of members of supervisory boards. It should also be noted that universities, to a greater extent, have not yet been able to develop sufficient resources for the independent development of internal policies and procedures for internal and external regulation of the activities of universities. The practice of regulating the activities of state universities is preserved in accordance with the normative document by decree, resolution, and indication of those issued by the higher authorities of the state.

By defining corporate governance, we can say that it is a continuous process of applying the top management exercises, ensuring compliance with the law in accordance with the goals set by its main founders and sticking to the ethical standards of the organization for operational management, fulfillment of obligations to stakeholders and compliance with corporate social obligations. (Ntim, C.G., 2018)

The purpose of the existence and operation of a corporate body of an organization is to have policies and rules to maintain a transparent and understandable relationship between the shareholders or founders of the organization, the governing bodies, top management and various interested parties, such as employees, students, government bodies, service and product providers and the public. (Babic, V., 2003)

In this regard, we can conclude that public universities in Uzbekistan have begun their journey from centralized administrative state governance to more autonomous one, but this process is still at an early stage of its development. With the purpose to develop corporate governance practices of state universities in Uzbekistan, it requires the creation of the necessary legislative and regulatory framework regulating the activities of supervisory boards, their functions and tasks, the use of advanced corporate governance practices, as well as the need for mandatory training of all participants in basic knowledge and skills on the work and functioning within the framework of the work of supervisory boards as the highest supreme corporate body of the university.

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