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EDUCATION QUALITY ASSURANCE STRATEGY IN KAZAKHSTAN

The purpose of this paper is to study the business education development strategies and their expansion in Kazakhstan. To accomplish the aimed task the strategic analysis methods of SWOT and PEST analysis along with the nine-factor model of strategic management have been used. The authors analyzed the current state of education market in Kazakhstan and explored the Kazakh model of business education: revealing its strengths and weaknesses, and developing the strategic map of business education process.

Keywords: educational strategies; business education; quality management; business school; development strategy; Kazakhstan.

АЗАМАТ ЄЛЕУСОВ, НУРЛАН КУРМАНОВ, БАУРЖАН ТОЛИСБАЄВ СТРАТЕГІЯ ЗАБЕЗПЕЧЕННЯ ЯКОСТІ ОСВІТИ В РЕСПУБЛІЦІ КАЗАХСТАН

У статті проаналізовано сферу бізнес-освіти та розроблено стратегію її розвитку в Казахстані. Для вирішення поставленої мети застосовано методи стратегічного аналізу, такі як SWOT- та PEST-аналіз, а також дев'ятифакторну модель стратегічного управління. Проведено аналіз сучасного стану ринку освіти Казахстану, казахстанської моделі бізнес-освіти: виявлено сильні і слабкі сторони, розроблено стратегічну карту подальшого розвитку бізнес-освітнього процесу.

Ключові слова: освітня стратегія; бізнес-освіта; менеджмент якості; бізнес-школа; стратегія розвитку; Казахстан.

Табл. 2. Рис. 1. Літ. 20.

АЗАМАТ ЕЛЕУСОВ, НУРЛАН КУРМАНОВ, БАУРЖАН ТОЛИСБАЄВ СТРАТЕГИЯ ОБЕСПЕЧЕНИЯ КАЧЕСТВА ОБРАЗОВАНИЯ В РЕСПУБЛИКЕ КАЗАХСТАН

В статье проанализирована сфера бизнес-образования и разработана стратегия его развития в Казахстане. Для достижения поставленной цели использованы методы стратегического анализа, такие как SWOT- и PEST-анализ, девятифакторная модель стратегического управления. Проведен анализ современного состояния рынка образования Казахстана, проанализирована казахстанская модель бизнес-образования: выявлены ее сильные и слабые стороны, разработана стратегическая карта дальнейшего развития бизнес-образовательного процесса в стране.

Ключевые слова: образовательная стратегия; бизнес-образование; менеджмент качества; бизнес-школа; стратегия развития; Казахстан.

Introduction. Business education in Kazakhstan is rapidly developing. The formation of this new market sector involves thousands of people and hundreds of organizations across the country. Almost every manager eventually begins to think how and where to improve skills. Company executives are also aware of direct relationship between their own competitiveness and the level of staff training, and accordingly the share of funds allocated to corporate training in organizational expenditures increases.

Development of business education strategy in Kazakhstan requires improving the quality of trainings for business professionals by meeting demands of today's economy.

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The existing research on business education is mostly theoretical or touches upon only certain aspects of business education development, this prevents linking the theoretical and methodological principles with the real issues of business education strategy development in Kazakhstan, therefore, this study subject requires special attention.

Literature review. Works of the following authors were devoted to the theoretical aspects of effective management systems in educational organizations: P. Ahrweiler et al. (2011), R. Boyatzis (2008), S.M. Datar et al. (2011), H. Etzkowitz (2004), W. Bennis and J. O'Toole (2005), Fred R. David and Forest R. David (2010), S. Ghoshal et al. (1992), H. Mintzberg and J. Gosling (2002), P. Schmidt (2008), as well as few Kazakh authors as: O. Kirichok (2013), N.A. Kurmanov et al. (2013), N.L. Rumyantseva (2004), A.V. Zhuplev and Kozhakhtnetov (1997) also made substantial contribution to the development of educational issues.

Despite high scientific interest to this problem and a number of studies available, it is worth to note that issues of business education are not fully elaborated and there is a demand in developing a strategy today. These considerations have determined the choice of our research topic.

The aim of this paper is to study the scope of business education and the development strategies for its expansion in Kazakhstan.

Methodology. Methods of strategic analysis such as SWOT and PEST were used to accomplish the goals set. The method we applied to strategic analysis is based on the model of nine-factor strategic management introduced by (Matthews, 2003) and subsequently aligned with the requirements of ISO-9000. The use of this model in the evaluation of innovative potential of business school offers the following features and outcomes:

- identification of the current position of a business school, using a broad spectrum of criteria;
- introduction of new estimates criteria associated with the analysis of business school's internal and external environment, and also consumers;
- detailed revision of criteria, sub-criteria and indicators of the model allow a more substantial analysis;
- assessment of the advancement levels allows to determine the prospects for further development, making a natural and easy transition from definition and formulation of problems to objectives of a business school.

Key research findings.

1. Current state of education in Kazakhstan. According to the Statistics Agency data for 2010–2011 149 universities (including 9 public and 96 private) provided training to more than 620 mln people (excluding master's and doctoral students), including 310.1 ths students in public higher education institutions and 310.3 ths people in private higher education institutions (The Agency for Statistics of the RK, 2013).

The number of postgraduate students increased from 2469 people in 1991 (Michailova and Liuhto, 2001) to the highest number of 5943 in 2003, and decreased to 20 in 2010 due to the abolishment of this education level (Mukhamedzhanov and Abdirayymova, 2011).

The number of master students increased from 5410 people in 2001 to 16586 in 2010, the number of students with future doctor's degree increased from 30 in 1991 up to 960 (taking into consideration the new degree of PhD).

According to the Ministry of Education of the Republic of Kazakhstan, 16 universities have PhD programs in partnership with leading foreign universities.

Starting from 2008 national universities began inviting foreign professors. For instance, Kazakh National University named after Al-Farabi in 2008 invited 83 foreign teachers, in 2009 – 86, in 2010 – 106, the Eurasian National University named after L.N. Gumilev invited 55, 83, and 94 foreign professors, respectively (Kirichok, 2013).

International model of universities accreditation, which includes institutional and specialized (professional) accreditation, has been implemented.

According to the Ministry of Education of the Republic of Kazakhstan, currently 5 public universities are at the transitional stage of international accreditation procedures for educational programs. Kazakh National University named after Al-Farabi has been accredited for 10 educational programs in undergraduate and graduate studies by German accreditation agency ASIIN. Kazakh National Technical university named after K. Satpaev has been accredited by the Accreditation Center of the Association for Engineering Education of Russia (RAEE), the German accreditation agency ASIIN for 5 programs in undergraduate studies and by the ABET accreditation agency for one major program.

2. Analysis of Kazakh model of business education: strengths and weaknesses. Let us consider the domestic factors shaping the national features of business-education.

Certainly, the demand for business education will grow, but the development of business education is undermined by a number of factors:

- *Institutional uncertainty.* Only in 2010, the legislation update defined the status of professionally oriented master program, starting the full-scale development of a national analogue of MBA.

- *Lack of full-scale joint educational projects with leading international business schools.* Consequently all training programs focus exclusively on the domestic market and are not internationally recognized yet.

- National formats of master programs in business education or obtaining second higher education in economics *is deeply integrated into the academic system of higher education.* It is regulated by many provisions and policies of the Ministry of Education, and this is often in direct conflict with the current requirements of the market for managerial work.

For example, the existing education regulations make it almost impossible to pass on to the credit-modular system of educational process and to use full-scale the distance learning technologies.

- *Failure to choose a target audience:* generally, business schools accept anybody who pays. In Western practice MBA students are tested and selected based on their qualifications.

- *Lack of stable system of effective investment in educational projects.*

Also there are the following shortcomings in Kazakh model of business education:

- Lack of MBA programs national universities;

- Lack of studies on business education in the country;
- Absence of business education strategy in Kazakhstan;
- Lack of professional rankings of business schools and programs;
- Poor selection of participants for such programs. The programs accept people without practical management experience;
- Lack of qualified professors, practitioners and educators teaching in Kazakh and English languages;
- Lack of faculty internationalization (our professors do not teach abroad);
- Lack of international mobility of students;
- Lack of career centers at business schools for MBA graduates;
- Business education is not considered as an infrastructure element of business;
- Lack of state standards for business programs (MBA, DBA);
- Programs lack the practical component – no case studies for Kazakhstan;
- Lack of scholarships for MBA, DBA;
- High concentration of business schools (80% of MBA programs are in Almaty);
- Opacity of business education statistics;
- High rates for student bank loans;
- Lack of professional associations of business schools (Rumyantseva, 2004).

We have developed the guidelines for the assessment of innovative potential of business schools, based on the use of PEST- and SWOT-analyses (Table 1), as well as the methods of strategic matrix (Table 2).

In this study, we have formulated 3 main conditions determining the success of modernization of Kazakhstan's model of business education:

- Firstly, to generate high level of education consumption in the country, having high-quality educational product is a must, namely professors and educational technologies, taking into account the specifics of business in our country. The gap between the quality of education and real-world practice is a major obstacle to business education development as an infrastructural element of innovative economy;
- Secondly, the necessity to form the demand for educational services, both on the part of companies, and on the part of individuals. Variety in professional potentials, motivations, career plans creates demand for a differentiated approach to the formation of educational programs contents;
- Thirdly, the new law "On education" excludes from state control the programs of additional education. Therefore, there is a need for public organization that would take up the regulatory functions, including, for instance, public and professional accreditation and certification of business education programs (State program of education development in the Republic of Kazakhstan, 2010).

The main distinctive features of Kazakh model of business education are:

- High degree of business schools concentration in large cities (Almaty, Astana);
- Specific social composition of students in business schools is that most of them are people with a technical education and "technocratic" thinking;
- Lack of qualified professors, who have practical experience in real business;
- Limited financial capacity of business schools etc.

Thus, the modernization of Kazakhstan's system of business education should be implemented through active use and development of innovative capacity of educa-

tional institutions, which will not only expand the market of educational services, but also integrate successfully into the world and European educational system (Piven and Pak, 2006).

Table 1. SWOT-analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> - Reputation of business school and good history at the market of business education; - Cooperation with foreign business schools; - Cohesion and team performance; - High authority of the director in business community; - Level of faculty competences; - International accreditation; - Location; - Level and diversity of educational programs, training modules, special courses, workshops, internships; - Client satisfaction level 	<ul style="list-style-type: none"> - Poor integration between business community and business school; - Inadequate prediction of labor market demands; - Poor attraction of teaching practitioners; - Limited financial resources; - Slow update of training and technical base; - Poor infrastructure of business schools; - Internal problems
Opportunities	Threats
<ul style="list-style-type: none"> - Growth of real demand for qualitative educational services; - International cooperation with leading international business schools; - Possibilities of multichannel financing; - Informatization of education technologies; - Participation in national and international projects; - Partnerships with Kazakh business schools 	<ul style="list-style-type: none"> - "Law on Education in the Republic of Kazakhstan" amendments came into effect and the prospects for the adoption of its new edition exclude all levels of additional business education from state control: state quality standards, accreditation procedures and the issuance of a state diploma program at all levels are to be cancelled; - Unfavorable demographic trends; - Downfall quality of higher education; - Increased competition at the market of educational services due to the planned accession of Kazakhstan to the WTO; - No replacement of faculty staff (natural aging, professional decline)

3. Development strategy for business education. As a result of SWOT-analysis, strengths and weaknesses of business education in Kazakhstan, along with opportunities and threats to development of key strategic directions of business schools are identified, determining its long-term development, namely:

- innovation and educational activities;
- scientific and innovative activity;
- integration of business schools into the international scientific and educational community;
- increase of management efficiency in business schools;
- development of the resource potential of business schools;
- social responsibility and social development.

Management and staff of business schools must strive to achieve the main goal: the creation of an innovative business school, which trains graduates of managerial class to obtain qualifications that meet international requirements.

The studies identified the educational objectives, targets and indicators of basic business functions of educational business process at a university or a business school, according to the expectations and demands of consumers (students) as it is schematically demonstrated in Figure 1.

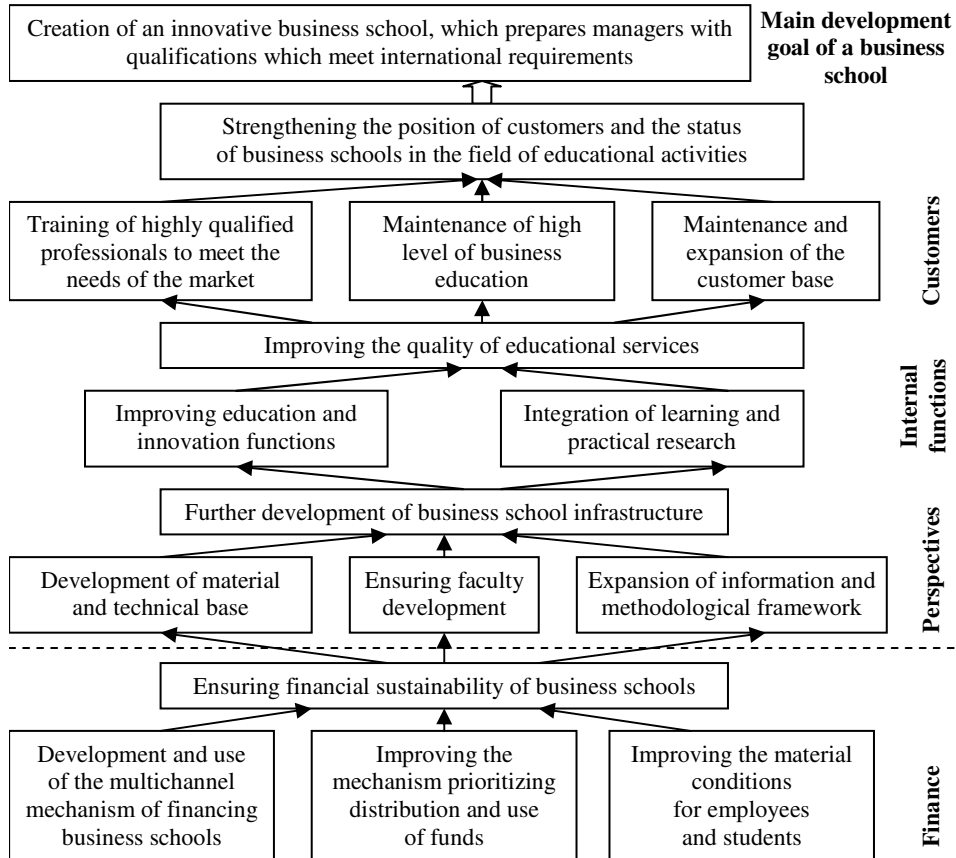


Figure 1. Strategic map of educational business process development

In Table 2 we have proposed strategic indicators of the educational business process considered from the point of view of the external efficiency of the business school, which is estimated by the quality of students in the programs.

Findings. Among the measures to ensure the continuous development and improvement of programs in the field of business education the following aspects are to be highlighted:

1. Ensuring closer cooperation between business community and business education, negotiating a dialogue between business schools and consumers of their product, search for mutual understanding, which will bring educational programs close to practice, and practitioners, in turn, will have better understanding of opportunities and value of education.

Table 2. Strategic educational performance

	Strategic goal	Strategic performance indicator
Customers	Strengthening the position of customers and the status of business schools in the field of educational activities	Leading position in the general ranking of leading business schools in the Republic of Kazakhstan
	Training of highly qualified professionals to meet the needs of the market	Share of graduates (undergraduates, masters, doctoral students)
	Maintaining high level of business education	Level of companies' satisfaction with the quality of graduated managers.
	Maintenance and expansion of the customer base	Level of students satisfaction with quality of educational services of a business school
Internal functions	Improving the quality of educational services	Number of accredited educational programs Number of contracts with foreign business schools
	Improving education and innovation functions	Introduction of new majors to meet the demands of business relevant managers Increase of subjects taught using innovative techniques
	Integration of learning and practical research	Introduction of high educational technologies Number of innovative ideas, projects, inventions, discoveries, patents
		Adequate provision of educational activities with all kinds of resources
Perspectives	The potential for further development of infrastructure of a business school	Development of technical equipment
	Development of material and technical base	Quantitative and qualitative support for educational activities of business school staff
	Ensuring faculty development	Total number of scientific publications, presentations at conferences and seminars Provision of personal computers, interactive technologies, Internet access for online sessions, video conferences etc.
	Expansion of information and methodological frameworks	
Finance	Ensuring financial sustainability of business schools	Maximum revenue from business education Minimizing costs per 1 tenge of work
	Development and use of the multichannel mechanism of business schools financing	Increasing the budget of a business school through attraction of additional sources of financing, possibly grants by the Ministry of Education of RK
	Improving the mechanism prioritizing the distribution and use of funds	Proportion of business school resources, invested in improvement of educational performance
	Improving the material conditions of employees	Staff motivation

2. Development of state regulations for MBA, DBA programs. Establishment of joint state-public accreditation agency consisting of the representatives of the Ministry of Education, leading experts in education and business practitioners.

3. Business education programs joining the common information educational environment of Kazakhstan, creation of special preconditions in the form of electronic libraries, online training courses, distance learning programs etc.

4. Development of international cooperation for mutual recognition of programs credits promoting academic exchanges, joint conferences, seminars and workshops, participation in international research projects.

One of the strategic objectives for a business school to consolidate its position as a leader at Kazakhstan market of business education, is to keep the status of a school, which prepares specialists for the economy of the Republic of Kazakhstan, who are capable of working at the interface of science and business and are able to adapt quickly to constantly changing conditions. Therefore, the priority is the development of MBA and DBA education for young people who want to get fundamental knowledge and aspire management activity.

Conclusions. Thus, for sustainable development of business education in Kazakhstan the following actions should be taken:

- Active improvement of the system of economic and business education in the Republic of Kazakhstan, changes in legislation and public education policy;
- Improving education in the direction of internationalization, deepening the cooperation with international business schools;
- Obtaining international accreditation (AMBA, AACSB, EQUIS), to participate in the world rankings;
- Involving professors/teachers in practical and consulting activities;
- Increasing the scientific and research potential of faculty staff;
- Increasing the efficiency, quality and qualifications of staff and faculty;
- Ensuring the relevance of business education programs regularly varying in response to changes in market conditions;
- Developing IT-technologies and innovations in education, adopting best international practices in the field of education;
- Raising endowment funds;
- Joining professional associations – e.g., CAMAN (Central Asian Foundation for Management Development).

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