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Impact of Quality Assessment on Organizational Transformation of Universities:
Reimagining university's organizational culture

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Abstract

The study focuses on the nexus between national higher education policies/instruments and their impact on university governance at the institutional level in the context of the European Higher Education policy. The paper offers a comparative analysis of university governance models and formation of an 'archetype' at HEIs. The study is conducted in two countries, Germany and Georgia, which gives an opportunity to observe and compare how European HE policy is interpreted and implemented in an old EU state and a post-soviet bloc state. It looks at the theoretical framework of constructing university as an organization and its implementation in practice describing the shift from state-centered governance to self-governance, autonomy and academic freedom. The paper also examines the role of Quality Assurance (QA) as a tool to ensure quality of HE provision at a university level and enquires what role QA plays in organizational culture. The research has an exploratory character aiming to discover how European HE Policy has been interpreted and implemented in the countries taking into account different cultural and historical background.

1. Introduction

For the past decades, significant change has been observed in Higher Education policy across Europe affecting the role and organizational culture of Higher Education Institutions (HEIs). This resulted in a change of relationships and responsibilities among academics and university managers. Since 90ies there's been a gradual transfer from „government to governance," which was further supported by emergence of New Public Management (NPM) approaches and the concept of accountability. In terms of legal frameworks HEIs in Europe are mostly autonomous and the autonomy is based on the national accountability system (Eurydice, 2008). With the shift from state control to state supervising, formal evaluation of the performance of HEIs has taken up more regular character (Maasen, 1996). Late 90ies and 2000s became distinguished with a fast pace of development of quality assurance mechanisms. One of the driving forces of this initiative became the Bologna Process (Gornitzka & Stensaker, 2014; Dobbins & Leisyte, 2014; Amaral, 2009). It is believed that the „EU discourse supporting a European system of quality assurance is mainly economic and market-based, a neo-liberal model"(Amaral, 2009, p.5). Since 2005, after the first adoption of the Standards and Guidelines for Quality Assurance in the Higher Education Area (ESG), significant evolution of the discourse on quality assurance has been observed. Initially, the focus was on external quality assurance (QA) and there was no particular mechanism for internal QA at HEIs. At that time, development of internal QA system was a slow process, and it was not clear how to link top-down management system and bottom-up initiatives at HEIs (Rauhvargers, 2009). In the course of time, internal quality assessment has become a predominantly bigger topic of discussion. The revised ESG adopted in 2015 poses formal requirements to Higher Education Institutions (HEIs) to establish internal QA systems. The responsibility over internal QA systems is expected to be shared among different stakeholders. And, institutional strategies should be put forward for continuous quality improvement (Implementation Report, 2015). This initiative makes it particularly important to analyze quality assessment system at universities and examine its relation to organizational transformation and governance. Gornitzka and Stensaker (2014) claim that external quality assurance was "seen as part of a modernization of the governance of higher education" having a goal to provide HEIs with more autonomy (p.181). Our research looks mainly at internal quality assurance, which aims to remain in line with strategic priorities of an institution and

support quality culture (Gover & Loukkola, 2015, p.7). Quality culture as part of organizational culture is characterized with essential elements such as leadership, communication, participation, and commitment (Bollaert, 2014). It is believed that "interplay of formal process and informal values and assumptions is the core for enhancement of quality culture" (Gover & Loukkola, 2015, p.9). Inclusion of stakeholders and effective communication among them is one of the issues of discussion regarding governance as well as quality assessment. By analyzing empirical data on stakeholder involvement in eight countries, Leisyte and Westerheijden (2013) concluded that there are no formal barriers on stakeholder involvement, but "actual influence of stakeholders can be further optimized in higher education institutions." (p.12). Leisyte and Westerheijden (2013) relied on the categorization scheme of stakeholders developed by Mitchel et al. (1997) according to power, legitimacy and urgency.

The Quality Assurance (QA) system of HE in Germany was first set up in 1998 with the establishment of Accreditation Council (Akkreditierungsrat) on a national level. By adhering to the overarching European Framework for Quality Assurance, the system has undergone different phases of development over decades.

In Georgia, the national Quality Assurance Agency was established in 2006. All Higher Education Institutions (HEIs) are expected to undergo institutional accreditation since 2007 and program accreditation has been launched in 2011 (National Center for Educational Quality Enhancement, 2018).

Our study views quality culture as an integral component of organizational culture/identity (Bollaert, 2014; Gover & Loukkola, 2015; Brunsson & Sahlin-Andersson, 2000) thus, stipulating a special emphasis on the interrelationship of identity formation, quality culture and quality enhancement mechanisms on the level of implementation. This perspective makes it particularly important to analyze quality assessment systems on the level of universities and examine its relation to the organizational culture, transformation and institutional governance.

The purpose of the research is to study organizational transformation of universities, examine similarities and differences of „archetypes,"[1] to describe and compare internal quality assessment at universities and determine its impact on organizational development. The

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[1] The term archetype is interpreted as „a configuration of the structures and processes of organizing according to a common orientation or ‚interpretive scheme'"(De Boer, Enders and Leisyte, 2007, p.32).

research explores how current university governance models ensure university autonomy and academic freedom and put forward the interests of key stakeholders. It looks at the theoretical framework of constructing university as an organization and its implementation in practice describing the shift from state-centered governance to self-governance, autonomy and academic freedom. As part of the theoretical framework three main aspects regarding construction of organizations: identity, hierarchy and rationality have been taken into account. (Brunsson & Sahlin- Andersson, 2000). A particular focus in the research is made on formation and expression of identity at HEIs.

The main research question is: What is the impact of internal quality assessment on organizational transformation of a university? The sub-questions of the study are: What role does internal quality assessment play in organizational development? How does internal quality assurance contribute to construction of identity in selected HEIs?[2]

In the study, we will argue that there is a close interdependence between organizational transformation and quality assessment. Internal quality assurance has a significant impact on the development of a conceptual framework and key aspects of a university as an organization. There is a positive relationship between well-established organizational culture and successful quality assessment system at a university.

The study compares the practices of a private university in Germany with two private universities in Georgia. The focus was on private universities since these institutions show more openness in adopting a business model approach in their governance to ensure efficiency and effectiveness. Both countries, Germany and Georgia, are members of the Bologna Process and represent an interesting merge of past and present higher education philosophies and policies. The study examines the perspectives of top and mid-level managers.

The theoretical framework and research model have been elaborated for the study. Based on the theory, major categories were identified and a research instrument was prepared, case study universities were selected and interviews were conducted. Relevant documents and online sources were analyzed.

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[2] Key aspects of an organization outlined by Brunsson and Sahlin-Andersson, 2000.

2. Literature Review

The underlying forces generating the changes in HE systems are primarily the effects of internationalization, Europeanization and globalization. Any attempts to analyze the macro level reforms, affecting change at the institutional (meso) and individual (micro) levels, must at its outset uncover the underlying rationale of the national policies (Gornitzka, 1999) and the institutional changes as a response to these external forces (De Boer & Goedegebuure, 2003; Meek, 2003; Oliver, 1991 in Gornitzka, 1999). When international and national conditions are examined, under which national higher education systems operate, the visible trends are toward increasing external evaluations, institutional accountability and reporting, stipulations for organizational change, improving quality of the primary processes and aligning the curriculum standards with the (inter)national labor market needs. Reviewing the broad picture of Higher Education systems across Europe makes it clear that despite similarities there is no uniformity or "one size fits all." Instead, diversity is understood as the "European Richness" and the entire idea is about comparability and compatibility of systems (Zgaga, 2009).

For the past decades, higher education has experienced significant shifts in the governance. There was more focus on "steering at a distance" in the 80s due to some economic, ideological and pragmatic motives across Europe, the 90s was distinguished with continuation of the concept "from government to governance" and emergence of New Public Management (NPM) approaches, which is present in most European countries today. Ferlie et al. (1996) outline two major narratives currently widespread across Europe: NPM and Network Governance. The framework on how the NPM system was constructed in western European countries includes five components: state regulation, stakeholder guidance, academic self-governance, managerial self-governance and competition for resources" (Ferlie et al., 2009, p.6). The key features observed at European Higher Education Institutions (HEIs) by establishing NPM include: (1) priority setting by government and within institutions to identify targets, outputs and assessment indicators; (2) reinforcing administrative and leadership functions within universities; (3) customer-orientation; and (4) "value-for-money," focusing on efficiency and effectiveness in terms of cost and returns (Taylor & Miroiu, 2002 in Leisyte & Kizniene, 2006, p.381).

The introduction of NPM was mainly a result of the shift from state control to state supervising strategy (Maasen, 1996). With the spread of NPM more emphasis has been given to formal evaluation, academic self-governance and autonomy as well as decentralization of decision-making at HEIs and competition among academics. Maasen (1996) argues that governmental steering strategies do not directly affect the academic culture, but instead target it indirectly by imposing changes to the social institutional context. The application of state supervising strategy, which provides for focus on social institutional contexts (e.g. university structure, guildlike professional structures and structural system links), changes the academic culture (beliefs and values) accordingly. To measure the amount of freedom in a social context, Maasen (1996) offers three indicators: (1) level of competition; (2) intensity of evaluation; and (3) extent of decentralization. (pp. 97-98). At the same time, he states that since for the government it is unlikely to 'control the human factor in social institutions' without creating some threats to 'basic democratic values,' most research on how governmental steering affects an institution focuses on "how steering strategies impact on the human factor" (Maasen, 1996, p.55).

Analyzing national higher education systems, Clark (1983) introduced the triangle of HEIs, Market/Society and the State seeking response to five major questions in HE systems: on the arrangement of work, maintained beliefs, authority distribution, system integration and how change occurs, leading to the issues that need more systematic approach. In relation to the theoretical framework of HE governance three main conceptions have been outlined describing the relationship of State, HE and Market (Ferlie et al., 2009). The first conception is related to the Mertonian sociology of sciences, which sees the major role of the State in ensuring the autonomy of HE. This conception was idealized by German idealist tradition, which was built on the Humboldtian model and the American functionalist sociology of professions. "The state accepts to protect them from the external influences, as long as the academic community implement norms, values and practices preventing an abusive use of their knowledge. This conception relies on ideology of academic freedom and strong faculty control over key work practices in both domains of research and teaching (Ferlie et al., 2009, p.4). The second conception underlines more important role of the State in mediating the interests of society and providing orientation in the development of HE. Based on this perspective, the State shall require meeting public policy goals such as improving quality or ensuring social equity (Ferlie et al., 2009, p.4). The third conception relies on the role of the

market in HE governance. This conception is often defined in the literature "as a rupture with the command and control conception and as a drift from interventionist to evaluative governance" (Ferlie et al., 2009, p.5). This scheme, as mentioned above, distinguishes state regulation, stakeholder guidance, academic self-governance, managerial self-governance and competition for resources as key components.

NPM is mostly common in UK and relies on: (a) markets or quasi-markets; (b) strong performance measurement, monitoring and management systems and (c) empowered and entrepreneurial management. It has caused a shift from elected to appointed posts in governance in UK. In case of Germany, Network Governance is more common, the example of which, is the emergence of accreditation agencies, as an indirect control of state (Ferlie et al., 2009). We observe three intermediary actors between universities and government in German system: German Agency for Research Promotion (DFG), German Rectors' Conference (HRK), and German Association of University Professors and Lecturers (DHV). "All these actors have a say in university governance; therefore 'network governance' is and always has been a dominant structure in the German higher education system" (Schimank & Lange, 2009, p.53). In Germany, due to long traditions academic self-regulation remains strong and competition for resources do not take place since universities are equally provided (Leisyte & Kizniene, 2006, p. 382). Studying the transformation of Lithuanian Higher Education after establishing NPM, Leisyte and Kizniene (2006) observe that as a result of NPM introduction public universities in Lithuania developed "individual profiles and policies, managerial capabilities, incentive steering, quality assurance, evaluation and accountability." (p.378). Behind all these changes, the overarching theory is a neo-liberal theory that supports more market regulations rather than state regulation. To ensure efficiency and effectiveness private sector management techniques were introduced at public universities. Leisyte and Kizniene (2006) examine transformation of Lithuanian Higher Education in terms of key dimensions: academic self-governance, state regulation, external guidance by stakeholders, managerial self-governance and competition for resources. In case of Lithuania, in terms of managerial self-governance apart from arising the notion of an 'accountable manager' public universities have given more attention to strategic planning, as to the involvement of external stakeholders in university council, it remains "largely passive" (Leisyte & Kizniene, 2006, p.386). By setting up external quality assessment and qualifications framework the state has ensured accountability and evaluation. This has not restricted significantly academic freedom in

Lithuanian Higher Education due to longstanding historical and cultural tradition of academic self-governance and academic freedom. In fact, the state regulation has shifted in favor of academic self-governance. The new law on Higher Education has given more autonomy and authority to the academic community, which is represented in the Senate and elects the rector. The academic community participates in decision-making processes including "approval of academic programs, university strategic development projects, recruitment policy of academic personnel, approval of university budgets as well as the responsibility for academic and research matters" (Leisyte & Kizniene, 2006, p. 386).

Analyzing HE systems in Bulgaria and Lithuania, Dobbins and Leisyte (2014) examined three areas of HE governance: overall regulatory framework, funding policy and QA to better acknowledge shifts in the role of the state and its steering capacity. It has been concluded that the Europeanization policy "has not radically transformed HE governance, but has fortified the market orientation and strongly contributed to a new steering strategy" in the case of Bulgaria (Dobbins & Leisyte, 2014, p. 996). In post-soviet countries such as Bulgaria and Lithuania, the Bologna Process has also become "a driving force for new QA policies" shifting to more "output-oriented market approach," however, the state control over QA institutions still remains firm in these countries (Dobbins & Leisyte, 2014, p.988). Since 2000 the European policy in HE reforms has become a significant alternative to the spread of Anglo-American HE model, particularly, in former Soviet bloc countries. In its turn, Europeanization has also granted more "legitimacy to domestic reforms" (Dobbins & Leisyte, 2014, p. 1004). In case of Bulgaria and Lithuania, Dobbins and Leisyte (2014) conclude that both countries have optioned for aligning "their systems of governance with moderately market- and competition-oriented policies as well as strategies to effectively integrate external stakeholders" stressing that this trend has become more regular during the Bologna Process expanding to other CEE countries and allowing the state to shift "its steering approach away from process to product control, while aiming to strengthen the institutional autonomy of HE providers." (p. 1004). Changes have been spotted in the funding system, as the funding allocations shifted towards the formula that comprises of input and output-based indicators giving more importance to research performance (Dobbins & Leisyte, 2014).

3.   Theoretical underpinnings

The rigorous interest in the organizational culture was raised in the 80ies in the United States. It is argued that one of the triggers for this interest became fast development of organizations in Japan. Over several decades, three major metaphors have been applied towards organizations and organizational culture describing different theoretical approaches. First, organizations were viewed as machines in the realm of rationalism. In contrast to a rational perspective, the functionalist approach views organizations as biological organisms, "natural systems, which primarily pursue organizational survival by carrying out necessary functions" (Schultz, 1995, p.15). And the third symbolist perspective views organizations as human systems: "The central message of symbolism is that humans act (symbolically), organisms behave" (Pondy et al., 1982, p.22 in Schultz, 1995, p.16). Besides, the metaphors of machine and biological organism used towards organizations, some theorists view organizations as cultures themselves. Here, the distinction of an organization being a culture and an organization having a culture come into play (Schultz, 1995; Maasen, 1996). This approach turns the concept of culture from an independent variable into an internal dependent variable formulated within the organization (Smircich, 1983 in Schultz, 1995). Schultz (1995) argues that rationalism, functionalism and symbolism shall be employed in analyzing the organizations as well as organizational culture.

Studying universities as organizations Bess and Dee (2008) employ three perspectives from organizational theory to understand organizational culture: positivism, social constructionism and postmodernism. Positivist theory maintains that there is an objective truth and the phenomenon of organization is objective. The social constructionism argues that since the "organizational world is a human creation," individuals and groups play the biggest part in the formation of organization and its culture based on their individual "mental maps." (p.14). The postmodern perspective states that the human experience and knowledge is fragmented, therefore, the focus is made on "alienation, apathy, and cynicism in organisations when the source of these conditions is an asymmetry in power and power use. Postmodern perspectives can help leaders identify conditions of oppression in organisations, challenge underlying assumptions, and reconstruct the organization based on values of openness, participation, and empowerment in a context of nonhierarchical leadership" (Hirschhorn, 1977 in Bess & Dee, 2008, p.15). Czarniawska-Joerges (1994) outlines four elements on which

the concept of organizational identity relies: (a) individual identity as modern institution (i.e. temporal and local); (b) (institutionalized) metaphor of organization as person; (c) description of an individual identity as emerging from interactions between actors rather than existing as a form of an essence that is consequently exhibited, and an analogy between organizational narratives and autobiographies as narratives constituting identity ("autobiographical acts.") (pp. 199-200).

The core of public sector reforms is the construction of organizations (Brunsson & Sahlin-Andersson, 2000). The interpretation of public sector reforms gives some clues to the questions why and how organizations are constructed. Thus, Brunsson and Sahlin-Andersson (2000) focus more on the origins of reforms in their work and draw parallels to different types of organizations. Organizations first need to develop their own identity. The case of developing organizational identity for educational institutions would be elaboration of their own profiles. (p.726). The second concept is a hierarchy when an "authoritative center" ensures coordination and control. The major "element of hierarchy" and formation of local authoritative centers often are the key focus of public service reforms (Brunsson & Sahlin-Andersson, 2000, p.726). The third concept refers to constructing rationality as "organizations are also assumed to be rational" (p.727). It is believed that rationality is connected with the concept of an "accountable manager," the term which first emerged in the British public sector and helped "to construct the idea of the rational organization" (Brunsson & Sahlin-Andersson, 2000, p.729). In the wake of transforming institutions into „rational organizations," performance–related pay was introduced to the British public administration system in the 80s. This type of public-sector reform has been tagged as the New Public Management (NPM) (Hood, 1995 in Brunsson & Sahlin-Andersson, 2000, p.729). New Public Management brought public sector organizations' management closer to a business model, the emphasis became on the results of the organization's performance rather than detailed regulations from the side of State, which ended up with more autonomy (Weyer, 2017, p.2). The transformed state supervising strategy affected among other public sector organizations, HEIs as well. One of the examples of increasing autonomy was a shift from line-item funding to lump-sum funding of institutions by the State. NPM reforms were also characterized with redistribution of authority, which is mainly viewed as legitimacy, among actors. On the level of universities, this resulted in dividing actors as participants in decision-making and decision-making authorities. Such changes caused major transformations to the traditional dichotomy of

powerful professoriate and weak administration (Weyer, 2017; Maasen, 1996). Despite changes caused by NPM reforms to Universities as organizations, it was believed that HEIs could not be more autonomous or corporate-like organizations. Describing Universities, organizational theorists used metaphors such as "organized anarchies," or "professional bureaucracies" (Weyer, 2017). However, new approaches and introduction of three entities: identity, hierarchy and rationality to organization-building have caused arguments that public sector organizations, and universities among them, could be turned into "complete organizations." The concept was proposed by Brunsson and Sahlin-Andersson and maintains that organization-building should be viewed based on three entities (archetypes): identity, hierarchy and rationality of the organization (Weyer, 2017; Brunsson & Sahlin-Andersson, 2000; De Boer, Enders & Leisyte, 2007). De Boer, Enders and Leisyte (2007) further employed the conceptual framework proposed by Brunsson and Sahlin-Andersson to analyze the transformation of Dutch universities as professional organizations (p.27). Focusing on the construction of three archetypes (identity, hierarchy, and rationality) the authors concluded that among a number of similarities in the development of governance policy across Europe, one of the significant shifts is "strengthening of the university as a corporate actor" (De Boer, Enders & Leisyte, 2007, p.43). The construction of hierarchy has mainly occurred "...through the establishment of devices for coordination and control as well as the introduction or strengthening of management personnel and practices." (De Boer, Enders & Leisyte, 2007, p.34).

Weyer (2017) describes archetype as "patterns of organizational elements" and develops an archetype template to show major similarities and differences among pre – and post – NPM universities in the Netherlands and the UK. The key idea in building the archetype template is to decipher four analytical categories of the Actor-Center Institutionalist Framework: (a) Policy-/decision-making processes, (b) Actors/actor constellations, (c) The different types of action capabilities/resources that actors draw on to bring about a desirable decision-making, and (d) The conditions of action, around which decision-making takes place (p.27). The template facilitates visibility of "authority distributions in the actor constellation across different types of policy- /decision-making processes". (Weyer, 2017, p.36).

The Table 1. below, describes the Archetype Template developed by Weyer (2017).[3]

	Internal Actors			External Actors		
Actor Constellation → _____ Policy /Decision-Making Processes ↓	Top Management	Mid-Level Management	Academics	State	Scientific Elites	(Inter) national Funding Agencies
Research — Content Decisions						
Research-Evaluation Decisions						
Resource-Allocation Decisions						

The involvement of actors in different decision-making tasks is analyzed in terms of three levels of authority: low, medium and high and responds to the question "how 'successful' an actor is in shaping the decision-making outcome of a decision-making process." (Weyer, 2017, p.37)

[3] Archetype Template, Weyer, 2017, p.37.

3.1 NPM in Georgia and Germany

The history of development of universities across Europe is mainly shaped by four governance logics: peer governance, committee –based (group) governance, (ministerial) NPM governance, and market governance (Frost et al., 2016, p.3). These typology is based on Olsen[4]'s work (Olsen, 2007 in Reihlen & Wenzlaff, 2016) that describes "different governance regimes in the university setting:[5]" **Collegial model** of governance promotes professional autonomy and self-governance; **democratic model** is based on the principles of political equality, competition for leadership and participation of stakeholders; **state model** entails that universities become an instrument to achieve national political agenda and a subject to tighter bureaucracy and performance evaluation; and **market model** "founded on the attempt to maximize the entrepreneurialism of universities and their professional staff by creating incentives to capture the benefits of market opportunities, whether in research, teaching, or for commercialization of academic knowledge" (Reihlen & Wenzlaff, 2016, p.23). Therefore, considering the governance logic four types of universities shall be identified: University as a self-governing scientific community, university as a representative democracy, university as an instrument for political goals and university as a market-oriented service provider (Frost et al., 2016, pp.3-4). It is believed, the realm of university governance is "a multidimensional matter," there is no one-size fits all for universities and, in most cases, a balance needs to be achieved among different governance logic since university is "a polycentric organization" (Frost et al., 2016, p.10). Comparing the two extremes of self-governance and "managerialization" of university, there is a risk to receive "under-managed" or "over-managed" universities. In the first case, universities might turn into "organized anarchy" (Cohnen et al., 1972 in Frost et al., 2016; Weyer, 2017) that cherish "individual self-interest and micropolitical warfare[6]," in the second case, hierarchical managerialism and overemphasis on authority might diminish the dialogue among stakeholders and the university's key concept of being a center of reflection and knowledge creation. "Managing the governance paradoxes is a balancing act between under-managing the university, which leads to a state of "non-governance" (Frost et al. 2016), and over-managing the university, which

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[4] Reihlen and Wenzlaff, 2016 in Frost et al., 2016, p.22

[5] Reihlen and Wenzlaff, 2016 in Frost et al., 2016, p.22

[6] Frost et al., 2016, p.10

transforms it into an instrument of obedience and destroys its reflective capability" (Frost et al., 2016, p.10).

Marketization of HE as an Anglo-American model was soon embraced by the European Commission to ensure competitiveness of European HE and respond to globalization demands. It is argued that "the marketization of the US higher education system was incremental and led by non-governmental initiatives, while in the case of the EU, the model is engineered by governments and the supranational organizations" (Slaughter & Cantwell, 2011 in Reihlen & Wenzlaff, 2016, p.32). The process itself is highly isomorphic and is marked with similar solutions concluded by national and institutional actors in promoting and managing higher education (Reihlen & Wenzlaff, 2016).

The era of managed education in Germany is described with the appearance of new actors and central organizations that became intermediaries between the state and academics/HEIs (Reihlen & Wenzlaff, 2016). After formation of National Accreditation Council in 1998, in 2000s national and international accreditation agencies have appeared (BMBF; 2015; Winkel, 2010). The agencies are accredited by National Accreditation Council to conduct system or program accreditation at German Higher Education Institutions (HEIs). The quality assurance system is based on a peer review system in Germany (BMBF, 2015). Since 2007, higher education institutions are required to pass program accreditation and system accreditation. The system accreditation is the internal quality assurance of HEIs.[7] It is remarkable that there are different paths to external quality assurance for public and private HEIs in Germany. Private Universities pass institutional accreditation (initial accreditation or reaccreditation) through Science Council (Wissenschaftsrat). The criteria for institutional accreditation was first defined by Science Council in 2004 and later updated in 2014. In addition, private universities shall pass program accreditation or system accreditation by agencies accredited by Akkreditierungsrat (Wissenschaftsrat, 2015). In the framework of program or system accreditation, the basis are the standards defined by National Accreditation Council.[8] Criteria for program accreditation are based on European Standards and Guidelines[9].

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[7] Bundesministerium für Bildung und Forschung (BMBF).(2007). Bericht zur Umsetzung des Bologna-Prozesses in Deutschland.

[8] Bundesministerium für Bildung und Forschung (BMBF). (2007). Bericht zur Umsetzung des Bologna-Prozesses in Deutschland.

[9] Bundesministerium für Bildung und Forschung (BMBF). (2015). Bericht der Bundesregierung über die Umsetzung des Bologna-Prozesses 2012-2015 in Deutschland.

NPM has affected the following areas of university governance: (a) financial support and regulation by the state; (b) external guidance; (c) institutional competition; (d) hierarchical management and (e) academic self-governance (Schimank, 2005, p.365). More specifically, NPM has introduced the concept of competitiveness by establishing peer review and indicator-based formulas to distribute funding to HEIs by the state. Hierarchical management is gaining more significance within institutions and school deans are given more tasks (Schimank, 2005, pp.368-369). However, regarding self-regulation Schimank (2005) argues, "At the moment, measures to build hierarchical management remain incomplete. The consensus-oriented culture compels many in leadership to act as if they had no new powers. Thus, formal authority remain unused, and consensus is still sought"(p.369). At German universities, institutional autonomy of universities remains low compared to the autonomy of individual professors, university rectors consider the majority vote of the Senate or council, which is comprised of mainly academics. At a university level "as each chair is a sovereign unit, academic control is decentralized" (Schimank, 2005, p.363). „Traditional governance thus limits hierarchical authority. However, most issues are not put to majority vote; instead, consensus is sought among the representatives of collegial bodies, and among those who may be affected – or who may feel affected – by a particular outcome" (Schimank, 2005, p.365). To adhere to the consensus culture, German universities practice merging of top-down and bottom-up approaches in policy formation and decision-making, "The true university, however, works mostly from the bottom up, not from the top down. The main task for a university's leader is to create and maintain the conditions that make university work possible (Casper in Hüther & Krücken, 2018, vi).

NPM approach was more actively incorporated into Georgia's public sector since 2004 (Chakhaia & Bregvadze, 2018). The reforms in the education sector launched in mid 2000s promoted the concepts of decentralization, accountability, performance evaluation and performance-based pay. The rule of bonuses in public institutions was adopted in 2014 "according to which the bonuses were distributed on the basis of performance evaluation in the case, if in public institutions exist the job evaluation system" (Kikutadze, 2015, p.64).

The period of 2004-2010 in Georgia, was characterized with decentralization of higher education system and emergence of public agencies (Chakhaia & Bregvadze, 2018) with the focus on performance evaluation and the notion of 'accountable manager' to ensure effectiveness and efficiency of the HE system. The NPM approach, as a business model, was

also incorporated into governance of HEIs. This initiative posed new challenges to HEIs in Georgia and altered the roles and relationships among HE actors on national and institutional levels. As part of external accountability, all HEIs are required to pass authorization (institutional accreditation) in Georgia. Program accreditation is not mandatory, however, only accredited HE programs are nationally recognized and funded by the state (National Center for Educational Quality Enhancement, 2018).

3.2 Quality Culture in Education

The overarching framework of Quality Assurance for Bologna member states is European Standards and Guidelines that were first adopted in 2005 and later, revised in 2015. The focal point of revised ESG is internal quality assurance. Over a decade, there has been a gradual shift from external to internal quality assurance. When assessing the national QA systems against ESG, the main focus was on external QA. Development of internal QA systems at HEIs was progressing slow compared to external QA and there was no particular mechanism for internal QA in HEIs (Rauhvargers, 2009). The lingering question at HEIs was how to incorporate top-down or bottom-up management systems to foster quality culture at HEIs (Rauhvargers, 2009). The revised ESG and the aspect of ownership in QA postulates the development of top-down and bottom-up management systems (Gover & Loukkola, 2015; Sursock & Vettori, 2013) to promote quality enhancement and establishment of quality culture within HEIs (ESG, 2015). The document poses formal requirements (e.g. legislative) for HEIs to establish internal quality assurance systems. The criteria outline that the responsibility for internal quality assurance systems should be shared mostly among different stakeholders (ESG, 2015). The ESG requires institutional strategies of universities for continuous quality improvement (ESG; Implementation Report, 2015). The challenge for HEIs is to establish an internal quality assurance system that is "context sensitive and in line with the institution's strategic priorities," "aim at enhancing quality, not only assuring it," and "support quality culture" (Gover & Loukkola, 2015, p.7). The interpretation of quality culture as part of organizational culture (Bollaert, 2014; Gover & Loukkola, 2015) changes the attitude towards quality assurance within the organizations and helps to view the quality culture as an integral part of organization's system, established patterns, values and beliefs (Bollaert, 2014; Bess & Dee, 2008, Schein, 2016). Gover and Loukkola (2015) argue that "the introduction of quality culture requires an appropriate balance of top-down and bottom-up aspects" (p.9). The traditional

approach to quality defines four categories: purposeful, transformative, accountable and exceptional, but taking into account these four categories the key concept of quality "advocated" by ESG is 'fit for purpose' (Gover & Loukkola, 2018).

The key aspects identified in relation to QA are the issues of ownership, sense-making (coherence, usefulness of policies and procedures) and communication (Sursock & Vettori, 2013; Gover & Loukkola, 2018). The most successful internal QA systems are: (a) closely linked to institutional strategies; (b) grounded in effective internal decision making processes and structures; (c) context-sensitive: take into account different organisational/disciplinary cultures; and (d) not punitive but developmental (Sursock & Vettori, 2013, p. 10).

3.3 Organizational Culture 'Identity'

It is maintained that the organizational culture represents a collection of beliefs, values, assumptions, „learned patterns," norms of behavior that are usually observable (Schein, 2016; Beer, 1998; Schultz, M. 1995). According to Maasen (1996) "culture can explain (almost) everything and (almost) anything can be explained by cultural aspects" (p.46).

The functionalist perspective mainly relies on Schein's Organizational Culture Framework, which describes the culture at three levels: artifacts, values and basic assumptions (Bess & Dee, 2008; Schultz, 1995). According to Bess and Dee (2008), "Culture can be defined as the philosophy, ideology, values, beliefs, expectations, attitudes, and assumptions shared by members of a social system." (p.359). Values are connected with the feeling of individuals and shall be studied through directly observable artifacts in an organization. Culture in an academic organization raises awareness about the institution's values and goals among internal and external stakeholders. To fully understand the culture at a university or a college it is important "to detect and evaluate these often informal clues" (Bess & Dee, 2008, p.362). It also becomes important to decipher between announced values 'espoused values' and values in use as there could be a gap between what is declared and 'theories in use' (Bess & Dee, 2008). While discussing an organizational behavior, Beer (1998) points out that values and leadership style of management have major effects on organizational behavior and influence „through choices about organizational design and human resource policies." (p.8). Basic Assumptions outlined by Schein comprises five underlying assumptions in organizational culture: (1) the organisation's relation to its environment; (2) the nature of

reality and truth; (3) the nature of human nature; (4) the nature of human activity, and (5) the nature of human relationships (Schein, 1983, 1992 in Bess & Dee, 2008, p.370).

The literature outlines different approaches to cultural typology in higher education. Among them, Birnbaum's four cultural models: (a) collegial culture; (b) bureaucratic culture; (c) political culture; and (d) anarchical culture (Bess & Dee, 2008. p.376). Bergquist identifies cultural types such as (a) collegial culture; (b) managerial culture; (c) negotiating culture and (d) developmental culture (Bess & Dee, 2008, p.376; Maasen, 1996, p.41). However, Maasen (1996) argues that "since Berquist only focuses on perceived manifestations of culture in higher education institutions his four cultures are rather arbitrary."(p.41). Another typology outlined by Smart and Hamm offers the following four cultural types: (a) collegial culture; (b) adhocracy culture; (c) hierarchy culture and (d) market culture (Bess & Dee, 2008, p.378). Maasen (1996) studies the impact of governmental steering on the academic culture in Higher Education Institutions (HEIs). He classifies organizations that have well-defined culture into three types: (1) social interpretation; (2) behavioral control and (3) organizational adaptation. (p.19). Maasen (1996) makes a clear distinction between organization's "having a culture" and organizations "being a culture." Out of four definitions of the organizational culture that Maasen employs the first three approaches view the culture as a phenomenon that an organization has, while in the fourth approach the culture is the organization. (p.19). Alvesson and Berg's description of culture convention entails four major perspectives: (1) corporate culture, (2) value and belief systems, (3) cultural cognitivism, which assumes that organization members operate according to a common mental framework in identifying and solving the issues and (4) symbol systems, which is similar to Schein's cultural artifacts. Tierney (1988) has provided a framework for Studying Organizational Culture, which is based on six concepts and could become the basis for an organizational audit: Environment, Mission, Socialization, Information, Strategy and Leadership (Bess & Dee, 2008, p.381-382, Maasen, 1996). According to Maasen (1996) this classification is not based on thorough research, but rather on a case study. Schein (2016) maintains that „the concept of culture implies structural stability, depth, and patterning or integration that results from the fact that culture is for the group a learned phenomenon just as personality and character are for individuals learned phenomena[10]" (p.10). More specifically, organizational culture reveals the characteristics of

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[10] Schein, E. (2016). Organizational Culture and Leadership.

structural stability, depth, breadth, patterning or integration. Culture describes a stable phenomenon at the core of basic assumptions and influences all aspects of the organizational life. As to the fourth characteristics of organizational culture "patterning or integration," it „implies that rituals, values, and behaviors are tied together into a coherent whole, and this pattern or integration is the essence of what we mean by 'culture' " (p.10).

The culture is recognized to have an important impact on the change management policy. To what extent policy is successful is interlinked with the „working of culture that manages the potential spread of anti-change feelings throughout the organization. Such a culture catalyses perceptions about change risks and benefits, and in so far as it may unify sentiment, risks can be minimized" (Talot, 2017, p.54).

Clark (1972) introduced the concept of "organizational saga" as a key element in organizational life and highly related to organizational culture and identity: "an organizational saga is a collective understanding of unique accomplishment in a formally established group." (p.178). In his article *The Organizational Saga in Higher Education* Clark (1972) describes the concept in relation to colleges. Organizations with the strong saga create an "emotional bond" turning "the membership into a community, even a cult" among the employees. (p.183). The existence of saga raises a feeling of pride of "an organized group" or an identity for being part of the organization, which is a personal return that is rare in modern society and reduces the sense of isolation, instead it increases personal pride, pleasure and devotion to organizational life (Clark, 1972, p. 183). Clark's definition of organizational saga triggered further research on organizational culture in higher education (Maasen, 1996). Maasen (1996) argues that the emphasis of researchers on organizational culture was caused by two other factors: (1) ideology of multiculturalism and diversity and (2) increasing interest in institutional management. (p.33). Overall, the focus on the institutional effectiveness has resulted in expansion of research on how institutional effectiveness can be caused by manipulating institutional culture (Maasen, 1996, p.38). The organizational sagas in US colleges are constructed based on the components of: the personnel, the program, the social base, the student subculture, and the imagery of the saga (Clark, 1972, 181 in Maasen, 1996, p.39). Maasen (1996) argues that since in complex, multi-disciplinary higher education institutions an institutional saga shall be established only through decentralization, the saga of autonomous units may be in conflict with the institutional saga, "the concept of organizational saga cannot be applied to a large, complex higher education institution as a whole" (Clark,

1983, p.85 in Maasen, 1996, p.39). Schultz (1995) describes sagas as "narratives which contributes to the creation and evolution of a shared identity for the organization" (p.88). This definition of organizational saga derived from the realm of symbolist perspective, which perceives Schein's artifacts as symbols, in the semiotic context. According to this approach, symbols derive from basic elements (signs) and meanings are ascribed to them. The sign shall take the form of an object, action, event, utterance or a picture. (Schultz, 1995, p.82). The way sagas differ from myths is that these narratives are connected with the actual history and accomplishments of the organization built over a 'real' character (Schultz, 1995, p.88).

Three major paradigms are employed in analyzing organizational culture: integration, differentiation and ambiguity or fragmentation (Schultz, 1995, Bess & Dee, 2008). Based on an integration paradigm, culture is "clear, consistent and homogenous," a differentiation paradigm states that culture is made of subcultures "coexisting harmoniously, sometimes in conflict, and sometimes unrelated to one another" (Bess & Dee, 2008, p. 362). Thus, integration and differentiation paradigms both imply clarity and certainty of the organizational culture. The fragmentation paradigm stresses uncertainty and double meanings the culture conveys to members of the organization (Schultz, 1995, p.12). It maintains "that there is no clear and consistent culture or group of subcultures that is meaningful to organizational members" (Bess & Dee, 2008, p.362). Rationalist perspective on organizations and organizational culture is based on the integration paradigm. Both functionalism and symbolism rely on the integration concept, at the same time, utilizing differentiation and ambiguity paradigms for empirical studies (Schultz, 1995, p.17). Sharing the view that the culture is 'fragmented' makes the symbolist perspective similar to the postmodern perspective defined by Bess and Dee (2008). The postmodern perspective maintains that although, colleges and universities, in most cases, establish their own "sagas" to define the institutional behavior, in some institutions, the culture remains 'fragmented' and then it's up to organizational members to decide on which values they would base their own behavior. The literature defines three types of subcultures based on Hatch's classification: enhancing, counterculture and orthogonal (Hatch, 1997 in Bess & Dee, 2008). Enhancing subculture upholds the most prevalent values of the institution, counterculture "adopts value that contrast with those of the larger culture," and orthogonal subculture "maintains a separate value system alongside the dominant one" (Bess & Dee, 2008, pp.383-384).

It is argued, the organizational design decisions should embrace differentiation and integration (Beer, 1998; Bess & Dee, 2008). According to Beer (1998) one of the best responses to the modern market demands and dynamic of environment is a matrix or team-based structure, which allows differentiation as well as integration: „Team members are accountable to both their functional department manager and the coordinating business or program manager" (p.7).

To analyze organizational culture in Higher Education, most authors rely on Mary Douglas' grid-group theory, also termed as cultural theory. The grid-group theory describes an individual's involvement in social life, based on the group, lifestyle and grid, rules and regulations. The scheme was later elaborated by Thompson and fifth way of life: autonomy was suggested. (Maasen, 1996; Bess & Dee, 2008; Veiga et al., 2011). The cultural theory was employed by Veiga et al. (2011) to study the impact of national quality assessment at universities. The theory has been mainly employed in the field of education research to describe New Public Management (NPM) model at universities. Veiga et al. (2011) used the grid-group cultural theory, to analyze how far quality assessment methodologies may affect the life of institutions by influencing the "group and grid" dimensions. (p.54). „The assumption is that the role of the university's constituencies depends on the freedom a person has to operate individually (group dimension) and to control his or her own social context (grid dimension). Ways of life stem from institutional arrangements that may include the university structure and academic cultures. The unit of analysis is the individual in the institutional context" (Veiga et al., 2011, p.54). The grid-group cultural theory „is a useful framework to understand to what extent individuals are bound up with institutions and ‚associated with specific patterns of interpersonal relations and specific strategies for action'" (Mamadouh, 1999b, p.138 in Veiga et al., 2011, p. 56).

Table 2. Grid-group cultural theory[11]

	Grid	
	Strong	
Fatalist		*Hierarchist*
Blame Fate	Rules	
Do not believe in fairness	Authority	
Limited individual autonomy	Expertise	
Involuntary excluded	Formal Communication	

(Grid-group diagram: vertical axis labeled "Grid" with "Strong" at top and "Weak" at bottom; horizontal axis labeled "Group" with "Weak" on left and "Strong" on right. Quadrants labeled Fatalist (top-left), Hierarchist (top-right), Individualist (bottom-left), Egalitarian (bottom-right).)

Weak — **Strong**

Individualist		*Egalitarian*
Autonomy		
Freedom	Mistrust power and expertise	
Individual Competence	Inequality is a deficiency of society	
Experimentation	Pro-social behavior	

The grid also describes "power imbalances" among the academics. Based on the grid-group analysis, Veiga et al. (2013) have concluded that Portuguese quality assessment system has more egalitarian culture. The grid-group cultural theory has demonstrated that in the Portuguese QA system an internal self-assessment process showed more egalitarian ways of thinking, while external assessment was more between the individualist and the hierarchist ways of life (Veiga et al., 2013).

3.4 Organizational Behavior, Change and Transformation

The organizational culture is recognized to have an important impact on the change management policy. Since change is believed to be a universal concept and a constant phenomenon, it's inevitable that organizations are always changing (Talot, 2017). To what

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[11] Adapted from Douglas (1970) in Veiga et al., 2011, p.56

extent change policy is successful is connected with the „working of culture that manages the potential spread of anti-change feelings throughout the organization." (Talot, 2017, p.54). In general, organizational behavior is characterized with some resistance to change (Beer, 1998, p. 4). Beer (1998) maintains there is a causal relationship between good or bad performance and organizational behavior. The organizational behavior is directly affected by the leadership style, situational factors, staff selection and promotion. In particular, Beer (1998) identifies four forces that shape the organizational behavior: the organization's environment, the strategy choices made by leaders, organization's design (people selected and promoted), behavior of leaders and top management. (p.3). Developing a table on organizational challenges in higher education, Bess and Dee (2008) outline environmental, structural, interpersonal and cultural challenges. They also give a particular focus to the environment and personality. Relying on the social systems theory, Bess and Dee (2008) argue that "organizational behavior is a product of both environment and personality." (p.xxxviii). As to how environment shall trigger change within organizations, Lewis (2011) describes an example of 2008 in the United States when due to economic downturn a lot of companies had to undergo change expressed in layoffs, restructuring, mergers, closing, product redevelopment, introduction of new strategies: „Pressure to change also derives from complex organizational environments that put many demands on organizations to adapt and innovate." (Lewis, 2011, p.22). Change can be triggered by many other factors such as legal requirements, changing customer needs, technologies, financial resources, and alterations in the labour force (Lewis, 2011, p.22). In some cases, organizations themselves initiate change and innovation. Focusing on Organization's Environment and Strategy, Beer (1998) draws attention to the findings of Lawrence and Lorsch (1967) according to which, the organization's structure and mode of conflict resolution varies whether the organization operates in a certain or an uncertain environment. High performing companies in uncertain environments are „characterized by horizontal team structures that facilitate coordination across functional departments and by openness to constructive conflict" (Beer, 1998, p.5).

The constructionist perspective on the organizational development and change foresees change on the macro system level, while reductionist perspective analyzes change on the micro system level (Talat, 2017). The constructionists believe that „an organization that changes is one that is recognized both rationally and emotionally, as a psychological necessity and exploration" (Talat, 2017, xii). According to reductionists, the organization is a unity of

material resources with some type of purpose. They prefer to categorize change components such as „division of labour, the idea of tasks, interchangeability of parts, standard procedures, quality control, cost accounting, time and motion study and organizational charts" (Talat, 2017, p.xii).

In most cases, with regard to the change management in an organization, two theories are applied: Agency theory and Behavioral theory. Agency theory relies more on top management change to ensure effectiveness of the organization performance, while behavioral theory focuses more on the behavior of the organization developing recommendations for managers.

Ferlie et al. (1996) indicate that the process of organizational transformation comprise of indicators such as "interrelated change on the system level; the creation of new organizational forms; the creation of a new organizational culture and ideology; interrelated changes that have an impact on the organizational and individual level; the reconfiguration of power relationships within the organization; changes in the services provided; and the modes of delivering." (p.33).

Lewis (2011) argues that due to the complexity of change, most of the time, change fails to achieve the indicators set by stakeholders. Despite this, change needs to be well-timed and in line with the organizational goals. According to Lewis (2011) the key factor in fostering change is communication among stakeholders. Communication is regarded as an important tool in the entire process, particularly, communication among stakeholders in the processes of organization's adoption, implementation, organization's outcomes (discontinuance, routinization, reinvention), innovation (within Environment) and diffusion (within Environment). Lewis (2011) maintains that these terms associated with organizational change are rarely consistently maintained in the literature.

Bess and Dee (2008) maintain that the organizational culture cannot be changed easily and most often such attempts might lead to failure. Since cultures are the product of interpersonal communication and created images and identities might be deeply rooted in the organization, not being influenced by a „quick fix." „Think instead about trying to culturally manage your organization, that is, manage your organization with cultural awareness of the multiplicity of meanings" (Mary Jo Hatch, 1977 in Bess & Dee, 2008, p.380).

In managing change, modern research identifies the notion of emotion as a significant factor in managing people within the organization. The idea of emotion is an important resource in

organizational transformation and has been put forward by the theory of Emotional Intelligence (EI). According to Talat (2017) emotional intelligence „resonates within the larger philosophy of Aristotelian teleology, where emotion as a resource is applied in the context of the collective good"(p.13). The appraisal theory „ represents employee emotion as micro-level change.[12]" According to the appraisal theory, the concepts that come forward are identity, imagination, perceptions of risk, trust, empathy, motivation. These concepts are held significant in order to deal with the change successfully and mostly defined by emotion. Identifying and channeling emotions in an effective way is one of the tasks of modern leaders, particularly, transformational leaders in the process of organizational change. Thus, the concept of contextually valuable emotion (CVE) comes into play. Talat (2017) describes that CVE is the resource to plan, implement and manage change and its aim is to trigger those emotions, which will lead to a desirable outcome.

4. Methodology

The study employs a qualitative method of research. Two Georgian universities and one German university were selected for this study (based on the characteristics of type, location, size and profile). In depth Interviews were conducted with top and mid-level managers of the institutions. Purposive sampling was used to select interviewees based on their executive positions and experience in organizational management. Primary data, including steering documents and online sources were collected and analyzed. Qualitative Content Analysis was employed and research findings were formulated. The key categories for analysis were identified based on the theory as well as interview data, linking top-down and bottom-up approaches. For research purposes, Georgian private universities and a German private university are kept anonymous.

The key dependent variable of the research model applied in the study is identity/organizational culture. Based on the literature and theoretical framework, independent variables were defined as: (a) state steering strategy, (b) socio-economic background and (c) academic norms/professional freedom. The research examines the relationship between internal quality assessment and identity formation.

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[12] Talat, 2017, p.22.

The diagram below describes the research model employed in this study based on the above-discussed theoretical concepts.

Environment   **Organization**

| State Steering Strategy |

| Socio-Economic Background |

| Identity, "culture" |

| Academic Norms/Professional Freedom |

| Internal Quality Assessment |
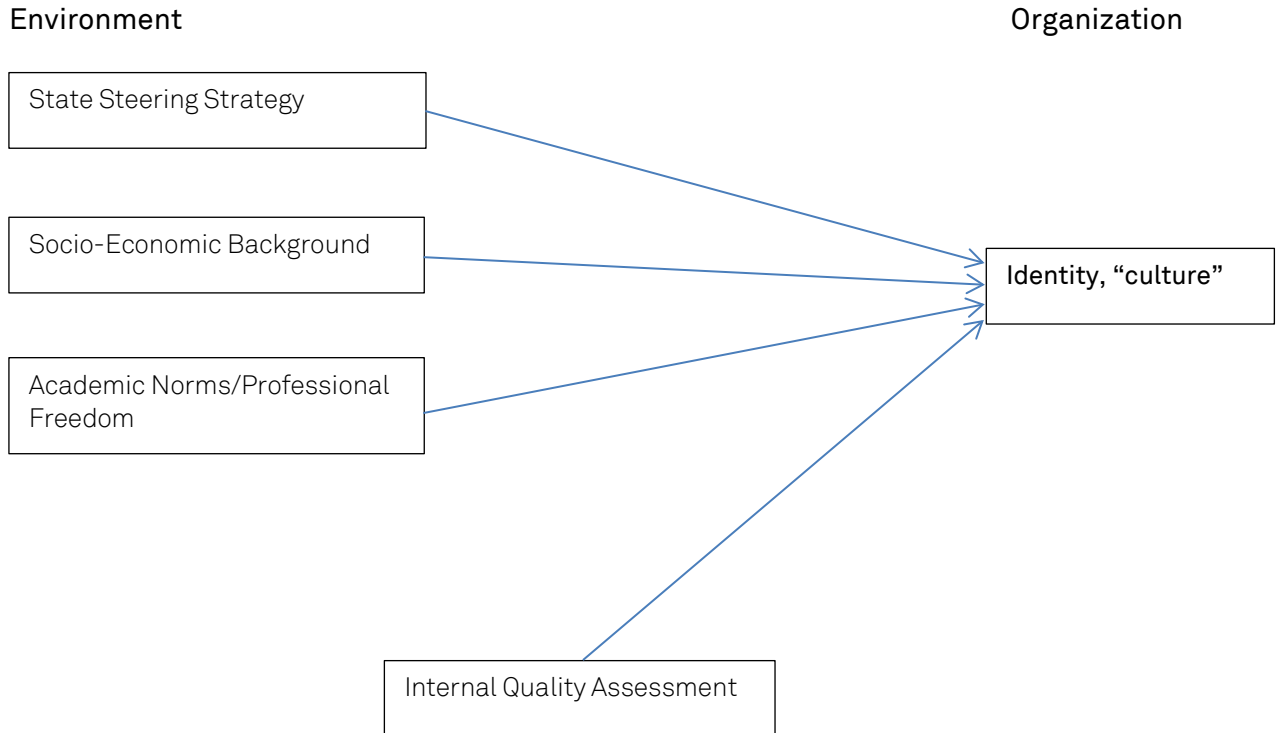
The research instrument employed in the study focuses on four major categories in analyzing universities as organizations and organizational culture: (a) Formation of Identity of HEIs, (b) Impact of State Supervising Strategy at HEIs, (c) Impact of Internal Quality Assessment on Identity, and (d) Application of Cultural Theory at HEIs. The interview data was distributed into 12 major codes: Identity; Unique features (key differences with competitors); Strategy, mission and goals; Stakeholder involvement, External evaluation; Staff recruitment; Performance-based contracts; Role of academic staff in decision-making; Internal evaluation; Impact of internal evaluation on program development; Impact of internal evaluation on organizational development and Organizational culture. Table 3 provides key concepts, indicators and items applied in the construction of the research instrument.

Table 3. Operationalization of Concepts

Concept	Indicator	Item
Identity	(1) Constructing boundaries	Defining Strategy, mission and goals of the organization
		Defining relations with competitor organizations, partners and wider society
		Defining own activities, environments and organizational boundaries
		Defining visual image of the organization
		Having legal 'independency' (publicly owned companies, privatization)
	(2) Controlling Collective Resources	Employing own staff and setting labor conditions
	(3) Being special as an organization	Having a special task, purpose, competence, resources, structure, way of working, or representing special ideas
	(adopted from De Boer et al., 2007)	Marketing profiles through logos and (new) brand names
		Emphasizing differences between the organization and others

State Supervising	State Coordination (State Steering)	Having external and internal evaluation
		Ensuring decentralized decision-making
		Stakeholder participation at different layers of the organization
		Having competitive staff recruitment policy
		Practicing performance-based pay
		Increasing role of academics
Cultural Theory	Practicing lifestyle, rules and regulations	Adhering to particular values (beliefs), assumptions
		Dominant lifestyle, rules and regulations within the organization
		Interconnectedness and inter-relations among different lifestyles, rules, regulations within the organization

The Archetype Template (Weyer, 2017) developed and employed in this study examines the involvement of institutional actors into policy-/decision-making processes, action capabilities/resources and "conditions of action, around which decision-making takes place" (p.27) at case study institutions. In particular, the Template describes key concepts/policy-decision-making processes (given in Table 3) such as identity formation, management style/decentralized decision-making, internal evaluation and prevalent culture of selected universities in relation to authority of internal actors.

Table 4. Archetype Template developed for case study institutions

	Internal Actors		
Actor Constellation → _____ Policy / Decision-making Processes ↓	Top Management	Mid-Level Management	Academics
Policy on Identity Formation			
Strategic Decision-making			
Internal Assessment Policy and Decisions			
Program-related Policy and Decisions			

For the purposes of our study, the level of authority of actors in policy/decision making processes is defined as **High, Medium and Low**. High authority indicates that actors have legitimacy and power to make decisions, Medium authority indicates that actors are participants in a decision-making process; Low authority indicates that actors' participation in decision-making processes is limited.

Data Collection and Analysis

HE landscape in Georgia

In the diverse landscape of Georgian HE system, there are thirty Universities providing three cycles of higher education in the country. The forms of higher education establishments in Georgia vary into: Universities that have three cycles of HE, Teaching Universities with only two cycles of HE, Colleges with only one cycle of HE and Teaching Universities supported by Church.

There are three legal forms of Universities: Legal Entity of Public Law (LEPL), which is the status of mainly state funded Universities, two other forms are for private Universities: Legal Entity of Private Law and Non-commercial Non-entrepreneurial Legal Entity (NNLP). Out of thirty Universities, 12 Universities are public and 18 Universities are private. Only five private

Universities represent Non-commercial Non-entrepreneurial Legal Entities in Georgia, others are Legal Entities of Private Law (National Center for Educational Quality Enhancement, 2018).

Due to public sector reforms in the beginning of 2000s, NPM has prevailed in the Georgian HE system. NPM approach was vigorously introduced into Georgia's public sector in 2004. The reforms "were guided by the drive toward marketization and competitiveness" (Chakhaia & Bregvadze, 2018). Its introduction affected the management style, accountability and role of academics. In 2006, external evaluation became mandatory and Universities developed quality assurance units to respond to new requirements. The reforms also affected the role of internal and external stakeholders of the HE system. On an institutional level, decision-making and evaluation processes, level of autonomy and academic freedom have been altered. The concept of an "accountable manager" and the elements of performance-based pay have emerged.

The state allocates less than 1% of its GDP on HE[13] and student tuition fees remain one of the major funding sources for HEIs, most private Universities are in high competition for attracting a diversified cohort of students, which on the other hand, leads to strengthening organizational culture within Universities to establish their unique place on the market. To ensure effectiveness and efficiency, private Universities as organizations need to have well-established identity empowered by organizational strategy, highly qualified staff, relevant organizational design, effective internal evaluation and well-built trust among stakeholders.

Description of case study universities
The research focuses on two private Universities in Georgia. Both case study universities represent medium-sized universities located in the capital city, are nationally accredited, and attract students with different socio-economic background in the region. For ethical purposes, participant Universities are kept anonymous and will be referred to as University I and University II in this paper.

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[13] Bologna Implementation Report 2015

University I

University I was established 20 years ago. The University has a well-developed profile, webpage, slogan, its own flag and hymn. It consists of eight schools and enrolls more than 3000 students. In some programs, University I offers exchange semesters abroad for its students. It also provides performance-based stipendiums and grants for students. The mission of the University I focuses on the research-based teaching and learning, preparation of highly qualified staff inspired by democratic values that would meet the requirements of national and international labor markets.

> "Based on the definition, the university is a place to gain, conserve and disseminate knowledge. We are trying to achieve international standards in all these three components."

[source 3]

The structure of University I is highly hierarchical. The major management units are Partner Council, President, Management Board, which includes Vice Presidents, Heads of Departments and School Deans (University I, 2013). The President of University I is elected by Partner Council in every six years. The Management Board consists of Presidents, Vice Presidents, Heads of Departments and Deans. The University regulation provides that academic personnel shall also be elected in the Management Board (University I, 2013).

The institution considers its aim is to provide high quality education, research and informal atmosphere. However, as University I is growing in size, which is an inherent process of organizational transformation, its identity has slightly shifted revealing different meanings and embracing new semiotic signs.

> "The visual side of the university has changed. We have a new webpage of the university. One of the disappointments from students is that as the university is growing, we used to be in a smaller building, we have less close contacts with students now."

[source 1]

The University staff states the key differences of the institution compared to its competitors are the quality of education, conditions for research and scientific development. It is emphasized that the University's focus on supporting the employability of its graduates has affected positively the University image and the graduate employment rate. In the first years of its establishment, University I introduced the programs considering the content and credit

system of its Partner University in the United States, thus, offering a different teaching format in comparison with competitor universities. University I provides student incentives, wavers and internal grants based on performance or "loyalty".

"All this leads to the fact that we are having a stable condition not only on the Georgian educational market, which gives trust to the society and we justify this trust."

[source 3]

The stakeholder participation is observed in strategy development process. A special working group tasked with revision of the strategic plan, mission and goals is comprised of professors, administration and potential employers. Like most other universities in Georgia, University I practices open competition for staff recruitment as well as considers recommendations to invite academic staff/lecturers. Performance-based pay is not unfamiliar to the University management, however, it is not so common.

The role of academic personnel in decision –making processes is mostly linked to curriculum development, curriculum revision and teaching process. However, the University regulation (2013) emphasizes that the academic personnel "has a right to take part in the University management – participate in elections and be elected in University's management units." The document states that the Management Board prepares all the major issues connected with the University's activities. The final decision is taken by the President based on the recommendation of the Board.

University I is characterized with a high level of hierarchical culture. According to the University staff, though hierarchy is preserved in the organization's life "it is not towards authoritative governing" [source 3]. The institution pays attention to professional development of staff, which is centrally managed and coordinated by the Department of Professorship within the institution and recognizes the principles of academic freedom and autonomy in the activities of academics. Table 5 presents a completed Archetype Template, which describes involvement of actors in identity formation and the level of authority of actors in policy/decision making processes at University I.

Table 5. Archetype Template of University I

Actor Constellation → _____ Policy / Decision-making Processes ↓	Internal Actors		
	Top Management	Mid-Level Management	Academics
Policy on Identity Formation	High	Medium	Low
Strategic Decision-making	High	Medium	Low
Internal Assessment Policy and Decisions	High	High	Medium
Program-related Policy and Decisions	Low	Medium	High

The Archetype template of University I shows that the authority of academics in identity formation and strategic decisions is low, while their authority in program-related policy decisions remains high at the institution.

University II

University II is relatively new and was established in 2013. The management units in University II are academic, representative and school councils. The academic council consists of 30 professors elected with a five-year term and governed by a head of academic council. The representative council consists of up to 40 academic personnel elected with a five –year term provided they are not members of the academic council. The representative council elects the chancellor, who may not be a representative of academic staff. The quality assurance of University II is mainly the realm of academic council. The academic council elects a head of quality assurance office (University II, 2016).

University II has 3000 students and four schools. It offers programs in Georgian and English. The University is characterized with a high cohort of international students. The institution has defined its strategic goals with a strong focus on the internationalization component of its activities, provision of integrated and interdisciplinary programs, development of research and leadership skills. As its unique approach, University II views a special emphasis on

individual development through promotion of education, research and innovation. The mission statement also expresses commitment to the social responsibility and equal access (University II, 2017).

"Everyone has a right to education despite of race, color, abilities (in this case I mean disabled persons) and we are trying to have individually adapted curriculum to achieve outcomes."

[source 5]

University II has a well-designed website and University logo. The website provides information on the University's regulations, strategic mission and goals. University staff views its identity as "the first caring, engaged, civic university in the region." The University II staff considers that features distinguishing the institution from its competitors are: the University's legal form, emphasis on social responsibility and institutional values. The legal form of University, Non-commercial Non-entrepreneurial Legal Entity, lists the institution among few five Universities that spend revenues only on educational activities and for the institution's benefit. The University mission was revised with a wide participation of academic and administration staff, and students in 2017. Stakeholder participation was high in development of the University's long-term strategy and goals.

"The personnel and the university team had a chance to take part in further understanding of it [strategic plan]."   [source 6]

Similar to other institutions, University II recruits staff through open competition paying particular attention to qualifications, personal qualities and values of applicants. The University offers three-month trial periods for its employees. Academic positions are permanent, and performance-based pay is only employed for the University hospital staff in the form of grant projects.

"During selection, we check personal qualities by asking what is their attitude, for example, towards disabled persons, what way of communication a candidate would use for documentation or mailing and why. The answer to the question why is very important, if a person considers using email then it is eco-friendly, this is enough to have an impression on the person."   [source 5]

Academics have an opportunity to participate in decision-making not only about program-related issues, but with regard to other activities of the University through academic and representative councils. Electronic correspondence is viewed as one of the ways to give

academic personnel an opportunity to express their opinions. The University does not have a Rector or President and is governed by a head of academic council. The academic issues are dealt by the academic council, while administrative and financial issues lie in the realm of the representative council.

"The entire academic personnel are involved in the management. Simply, there is a distinction between academic activities and activities of the representative council that focuses mainly on financial and administrative issues."   [source 6]

The University staff views the institution's organizational culture as highly egalitarian, the decisions at the institution are taken on the basis of consensus and team-based structure (Beer, 1998) is introduced in the organizational design to allow integration as well as differentiation. The institution also practices the horizontal coordination of departments. Apart from dominant egalitarian culture, the University representatives admit the existence of an individualist way of life within the institution, as individual development is highly supported. The individual development plans are newly established at the institution. Table 6 shows involvement of internal actors in identity formation according to the level of authority in decision-making at University II.

Table 6. Archetype Template of University II

	Internal Actors		
Actor Constellation → _____ Policy / Decision-making Processes ↓	Top Management	Mid-Level Management	Academics
Policy on Identity Formation	High	High	High
Strategic Decision-making	High	High	High
Internal Assessment Policy and Decisions	High	Medium	High
Program-related Policy and Decisions	High	Medium	High

As it is shown from the Archetype Template of University II academics and top management are equally involved in identity formation, strategic development policy, internal assessment and program-related issues. The authority of academics is ensured by their representation in academic and representative councils.

Key Findings

The autonomy of Georgian private universities is granted on the basis of accountability and performance evaluation. Georgian universities undergo institutional and program accreditation regularly. Institutional accreditation takes place in every six years and grants a right to an institution to operate educational activities. Program accreditation is granted for seven years (National Center for Educational Quality Enhancement, 2018). Program accreditation is undergone more frequently by case study Georgian universities due to the development of new programs or program modifications. It takes place at least in every two years. Both institutional and program accreditation are granted by a national Quality Assurance Agency, National Center for Educational Quality Enhancement (NCEQE). The standards for institutional accreditation were first developed in 2007. Later, in 2010 institutional accreditation (authorization) standards were revised and in 2011, program accreditation was introduced. In 2017, the standards for institutional accreditation were reviewed in line with the revised ESG. The basis for both institutional and program accreditation are European Standards and Guidelines. The external evaluation is based on a peer review and self-assessment (National Center for Educational Quality Enhancement, 2018). In preparation for the accreditation process, the Georgian case study universities recognize the importance of internal stakeholder involvement, particularly, academic personnel via special working groups or academic council. At University I academics are more involved in development of new programs or modifications, while quality assurance is a realm of the Managing Board. At University II, quality assurance is coordinated and implemented by academic council, which constitutes mainly of academic personnel.

The case study Georgian universities have taken steps to internationalization. University II offers programs in English and Georgian, both institutions attract a diversified faculty body with the international background, foreign language materials are used in the teaching process, and information on the website, including student and career services are provided in English besides a national language. University II has a high cohort of the international

student body and offers relevant services for international students. The universities have made some initial attempts to international accreditation, such as hosting visits by international peers to receive external feedback, however, international accreditation remains one of the long-term strategy objectives for both institutions.

Identity Formation

Despite a significant difference in the lifetime of two Universities, both case study Universities have well-developed identities demonstrated at all three levels of organizational culture: artifacts, values and basic assumptions (Schein, 2016; Bess & Dee, 2008). The Universities have established semiotic symbols associated with their institutions. University II follows its outlined mission, goals and strategy, while University I is in the process of transformation and redevelopment of the strategy. The case study universities emphasize the provision of education, teaching methods and research development as major aspects of their unique features. University II as an 'engaged' university focuses on development of human vision, promotion of innovation, while University I focuses on research and organization of teaching. Both universities take measures to support access to education in their institutions. In terms of identity formation both universities had defined their missions, goals and strategies at the starting point of their operation. The stakeholder involvement is essential for the case study Universities in strategy development. However, based on the egalitarian culture of University II, participation in discussions was open to wider representation of stakeholders. University I exhibits a hierarchical culture with the signs of individualist subculture on the level of academia. The University II cherishes a highly egalitarian culture by having individualist subculture within the institution. Thus, academic freedom is recognized at both institutions.

Management Style

The case study institutions follow the procedures regulated by labor relations. The academic staff selection takes place through an open competition. University II emphasizes the importance of relevant values and personal qualities in addition to a candidate's qualifications. Performance-based contracts are not uncommon for selected institutions, however, the percentage of such contracts is quite low at both institutions.

Given a dichotomy of academia and administration (Maasen, 1996; Weyer, 2017), University II with its egalitarian culture reveals higher levels of pre-NPM tradition by supporting strong academic culture and ensuring wide participation of academic staff in major decision-making

bodies: academic and representative councils. One of the innovative approaches is that University II allows academics to be participants and decision-makers on administrative and financial issues related to the institution by providing seats for academics in the representative council. University I exhibits more signs of NPM in the light of adherence to hierarchical structure. At this institution, academics participate mostly in the decision-making processes related to teaching, curriculum development and revision. The legitimacy of academics (Mitchel et al., 1997 in Leisyte & Westerheijden, 2013) to be decision-makers rather than participants in such processes is medium.

Internal Quality Assurance

Internal evaluation is in line with external evaluation standards and criteria and takes place at the end of each semester at selected private universities. The assessment is carried out in the form of surveys, questionnaires, interviews and discussions. As part of the performance evaluation and monitoring, the case study universities have also undertaken needs assessment and SWOT analysis. Internal quality assurance practices, first imposed on universities by external factors in Georgia, have been gradually supporting the development of quality culture.

"Internal Evaluation has an effect on organizational development. If you look at our organizational structure, this year we have empowered our quality assurance department."

[source 3]

At both case study universities, student surveys are given considerable attention and feedback is further discussed with faculty and administration. The student feedback is significant to study not only the program structure, services or identify new needs, but also to learn about the attitudes. The focus on student attitudes by case study universities underlines the core of quality culture.

"From the questionnaires we learn about student attitudes regarding the teaching level of a specific subject, we also check competencies of a lecturer in surveys, literature provision, teaching format. We have questions regarding the administration. We give big importance to these surveys."   [source 3]

University II practices an early diagnostic system, which provides for identifying problems during the interim evaluation and employs peer coaching and peer tutorial approaches in the educational activities. The internal quality assurance system is based on PDCA (plan-do-

check-act) cycle ensuring that internal evaluation outcomes are considered in planning further changes to educational programs. The university practices a consensus culture, internal evaluation and school councils create an opportunity for integration of bottom-up and top- down approaches (Gover & Loukkola, 2015) synthesizing the ideas of key stakeholders.

"SWOT analysis is conducted among students and lecturers. The data that we use is discussed within the administration and decisions are made on what can be improved and should be planned at the start of a new semester." [source 5]

It is worth paying attention that representatives of both universities mention the importance of data and data monitoring as part of the evaluation process. For effective self-assessment and insightful evaluation reports, identification of performance indicators and presentation of relevant data are an essential precondition, however, there is frequently a "problem of finding relevant and meaningful indicators on teaching" (Gover & Loukkola, 2018).

"In preparation of internal evaluation [report], we check all the data before presenting. As you understand, how important it is to have objective evaluation." [source 3]

When it comes to formation of identity and organizational development, mostly, SWOT analysis and needs assessment are employed. The identity is represented on the level of artifacts (symbols associated with the selected institutions), profile, mission and strategy, as well as values and beliefs (Schein, 2016; Bess & Dee, 2008; Brunsson & Sahlin-Andersson, 2000; De Boer et al., 2007; Leisyte & Kizniene, 2006). The external factors such as environment, new context and demands on national and international labor markets have been taken into account in formation of short-term and long-term strategies at case study institutions.

"In the formation of identity, internal evaluation has been the basis." [source 6]

The organizational culture at case study universities varies from hierarchical to egalitarian. University I is highly hierarchical, while University II is more egalitarian. However, on the academic level the organizational culture of both institutions is individualistic adhering to academic freedom and autonomy in research, scientific and academic activities. Hierarchy in institutions is strengthened by NPM approach since it is a mechanism for coordination and control (De Boer, Enders, & Leisyte, 2007). Despite this, University II favors more egalitarian culture and a traditional approach to the concept of strong academia, at the same time, embracing another innovative mechanism of NPM and granting more managerial roles

(Bleiklie et al., 2011) to academic personnel by expanding their representation and contributions to the academic and representative councils.

"The decisions are made collegially, collectively and in a team."   [source 6]

Thus, **University II** favors more horizontal coordination and team-based structures (Beer, 1998), which could be considered as one of the most effective strategies for a relatively young organization.

As the Archetype Templates (see Table 5, Table 6 above) of the two universities show, the authority of academics in policies related to identity formation and internal quality assessment is higher at University II. Regarding program-related issues, the academic personnel has a high authority at both institutions, though wider representation of academics in discussions is ensured at University II through academic and representative councils.

German Case

HE landscape in Germany

The German Higher Education System is characterized with three major eras since 1945: era of professional dominance (1945-1968), era of federal involvement and democratization (1968-1998) and era of managed education (from 1998 up to present) (Reihlen & Wenzlaff, 2016, p.16).

During the period of professional dominance, German universities had an "ordinaria" system, the ordinarius (full professor) had complete academic freedom and autonomy and represented "an elitism and personality cult" (Reihlen & Wenzlaff, 2016, p.25). This approach was shattered in late 60ies when logic of democratization was embraced in the German Higher Education System and non-professorial academic staff and students started taking part "in defining the quality of higher education." In addition to meet the requirements of increasing student contingent, higher education institutions needed central coordination and planned development (Reihlen & Wenzlaff, 2016, p.27). This period was distinguished by setting a distinction of HEIs into: universities and universities of applied sciences. This change has occurred not only in Germany but in other western European countries as well. Universities of applied sciences in Germany are academically-oriented institutions, the focus is on academic teaching and research applications (Ahrens, Greisler, & Ordnung, 2015). "Its research mission is set out in the higher education act of each Land. However, Fachhochschulen generally carry

out less research than traditional Universities due to the more extensive teaching duties of the professors and are also not entitled to confer doctorates. The degree qualifications awarded by the Universitäten and Fachhochschulen have equivalent status" (Ahrens, Greisler, & Ordnung, 2015, p. 3).

The era of federal involvement and democratization, which was prompted by an increasing demand and massification of higher education and spread of democratic values on equality and right to education in the late 60ies promoted network governance in Germany's Higher Education System.

In 2000s, to respond to globalization trends with the EU policy by establishing "dynamic knowledge-based economy,[14]" Germany's higher education system faced the need to embrace the marketization model (Reihlen & Wenzlaff, 2016; Winkel, 2010). The aim was that universities should provide useful knowledge and skilled labor and successfully compete with more famous Anglo-American universities. A new interpretative scheme of managed education relied on three pillars in Germany: (1) a market logic, (2) new auditing practices and (3) a managerialist ideology (NPM approach) (Reihlen & Wenzlaff, 2016).

The transfer to the era of managed education sometimes referred to as "academic capitalism[15]" was triggered by the market-based model of governance and emergence of NPM in early 2000s. The approach is also referred to New Control Model (Neues Steuerungsmodell) in Germany's public sector (Winkel, 2010; Frost et al., 2016). On the one hand, the establishment of network governance in Germany's HE system in 60ies and relatively late adoption of the market-based approach in HE in the beginning of 2000s, created a unique merge of two HE governance narratives in Germany's higher education system. In its turn, NPM approach caused a shift from elected to appointed posts in HE governance, accountability and increased autonomy, establishment of performance evaluation and the rise of entrepreneurial university (Reihlen & Wenzlaff, 2016; Ferlie et al., 1996; Maasen, 1996, Brunsson & Sahlin-Andersson, 2000).

Germany is a member of the Bologna Process since 1999. The HEIs in Germany vary into: traditional universities (Universitäten), universities of applied sciences (Fachhochschulen), colleges of art and music (Kunst- und Musikhochschulen), colleges of education

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[14] Reihlen and Wenzlaff, 2016, p.31

[15] Münch, 2011; Slaughter and Leslie, 1997 in Frost et al., 2016, p.1

(Pädagogische Hochschulen), Duale Hochschulen (cooperative state college offering combined work and study degree programs), and Berufsakademien (professional academies) (Ahrens et al., 2015). There are 108 Universities and 225 Universities of Applied Sciences (Fachhochschulen) in the country.

By 2011-2012 within the frames of the Bologna Process, 85% of study programs were adjusted to two cycle study programs (BMBF, 2018). Alongside with Bachelor/Master courses traditional integrated study programs still remain. All programs ensure transfer to the next cycle (Ahrens et al., 2015). The steering document for national program and system accreditation is the Qualifications Framework for German Higher Education Qualifications which "is based on the concept of learning outcomes" (Ahrens et al., 2015, p.9). In line with the ESG, rules for accreditation provide for study programs to achieve "qualification objectives," the term is used synonymously with "intended learning outcomes" (Ahrens et al., 2015, p.9). "The German system is geared to achieved learning outcomes. This is assessed as part of the accreditations" (Ahrens et al., 2015, p.9). The National Qualifications Framework (NQF) was adopted and self-certification was conducted in May, 2013. National accreditation is based on program and system accreditation that are conducted by German and international accreditation agencies. German accreditation agencies are accredited by National Accreditation Council. The share of international accreditation agencies that implement system accreditation in Germany is approximately 12 %, less than 1 % of HEIs opt for international accreditation for their study programs. All operating German accreditation agencies are members of European Association for Quality Assurance in Higher Education (ENQA) and listed in European Quality Assurance Register (EQAR) (Ahrens et al., 2015, p.14).

Description of a case study university

The case study institution is a private public policy school located in one of the central cities of Germany. The institution is nationally accredited by the Science Council (Wissenschaftsrat). The university was established as a non-profit institution in 2004 and has undergone three phases of institutional accreditation. In 2017, the university was granted institutional accreditation for 10 years. The bachelor and master programs are accredited by the German accreditation agency ACQUIN. The university's doctoral programs are accredited by the Science Council according to the state regulation. The program accreditation is for five years. The university undergoes accreditation process in every two or three years. The university is characterized with a high degree of internationalization in terms of program provision, diverse

faculty and student body. The basic three principles of the university: interdisciplinarity, intersectorality and internationality are reflected in the University's organizational life and particularly, in the composition of the student body (Weiler, 2014, p.6).

Key Findings

Identity Formation

The identity of the school relies on "research, teaching and outreach" with a focus on public policy and the concept of "internationality." As a result teaching language at the school is English.

The identity formation process at the case study university was coordinated by top management with engagement of various stakeholders of HE from public, private and civil sectors. The basic founding concepts and institutional identity include professional, international, private, normative (ethical), interdisciplinary, transsectoral and location dimensions (Weiler, 2014). The strategy was developed with the involvement of a board of trustees, external stakeholders and faculty. The school has systematically undergone the strategy development process at different stages of organizational development and transformation. Part of the strategy development process was SWOT analysis, based on which strengths and weaknesses of the school were analyzed.

Management Style

Following the concept of ownership, the process of organizational transformation is characterized with a mixture of bottom-up and top-down approaches [source 7]. The initiated ideas are reviewed by the leadership and program leaders. Afterwards, the initiatives are further consulted with the faculty and students. One of the pivotal distinctions at the case study university is the significance given to students' needs and requirements. The important share of organizational transformation decisions, among other external and internal factors, are based on student assessment.

"Of course, internal evaluations and what students immediately say about courses and programs and the demands they have, they have an impact. As then, we create new departments, or hire new people, or more people... we even develop new programs, as we did in 2015 with a master [program] of international affairs."   [source 7]

The University adheres to the aspects of QA ownership, sense-making (coherence and

usefulness of policies) by promulgating systematic stakeholder discussions on all levels. The University has an Academic Senate that comprises "of academic stakeholders of all administration, students, faculty" [source 7]. The Academic Senate votes for all decisions (staff recruitment, program development, examinations, professorial appointments etc.) within the institution.

"The Academic Senate is making all decisions regarding the development and by our statute all faculty members ... this is different from other universities, but for the time being all faculty members are members of the Academic Senate with the voting right. So, when it comes to decisions, they are participating".   [source 7]

The university is not characterized with a highly hierarchical structure and the overall institutional culture is egalitarian. It is earmarked with direct communication among stakeholders and an "open door policy". Following the principles of autonomy and academic freedom, the individualistic subculture is observed on the level of professors and scientists.

"We are fairly egalitarian institution. Also the working language is English... This is one indicator that it is not that hierarchical and formal."   [source 7]

Table 7 describes a completed Archetype Template of the German case study university. The template shows involvement of internal stakeholders in formation of the university's organizational culture.

Table 7. Archetype Template of University III

	Internal Actors		
Actor Constellation → _____ Policy / Decision-making Processes ↓	Top Management	Mid-Level Management	Academics
Policy on Identity Formation	High	Medium	High
Strategic Decision-making	High	Medium	High
Internal Assessment Policy and Decisions	High	Medium	High
Program-related Policy and Decisions	High	Medium	High

According to the Archetype Template, the authority of academics (faculty) and top management in identity formation of the institution is equally high. The complete representation of academics and their authority in policy-related decisions are ensured through Academic Senate, which operates as "Parliament" of the public policy school.

Internal Quality Assurance

Internal Evaluation at the case study university is based on regular evaluation and assessment. The evaluations are conducted for administration, faculty, teaching and performance against set objectives. As part of internal quality culture, the university ensures discussion of evaluation results among key stakeholders at "faculty retreats" held twice a year at the end of each semester.

"Then all teaching evaluations are discussed by all faculty members." [source 7]

The case study university practices a consensus culture, discussions and communication among stakeholders are key to operation of internal quality assurance system. Ensuring effective communication among students, program directors, faculty and management becomes the basis for program development at the institution. Program Development represents "a mixture of bottom-up and top-down approaches" [source 7]. The initial

discussion is carried out on the level of students and faculty. The process is facilitated by mid and top-level management. Student feedback and evaluations are given significant importance in initiating new programs or modifications. The student assessment results are discussed between top management and program directors. In other cases, the initiatives are proposed by program directors. An interesting aspect of stakeholder involvement in the curriculum development, reflecting the ESG requirements is Practice Council, which includes representatives of public, private and civil sectors. The Practice Council was developed initially by academic leaders of the institution and helps to attract opinions about "the curriculum from an outsider, employer perspective" [source 7].

Internal evaluation affects most aspects of organizational development at the case study institution in terms of development of diverse programs, academic empowerment, staff selection and recruitment, coordination of third party funded projects, student and career services, strategies for communications and external cooperation. The remarkable fact is that student and faculty feedback is the profound basis for academic staff empowerment, development of new programs, courses and program structure. The university regularly practices administration and faculty "retreats," which give an opportunity to top management to directly communicate with employees.

5.   Discussion

The development of NPM approach and the concept of accountability at German and Georgian case study universities are characterized with general 'isomorphism' (Reihlen & Wenzlaff, 2016; Broucker et al., 2015) in approaches. Quality Culture at selected institutions is built on the notion of quality assurance and enhancement (ESG, 2015). The idea of continuous improvement contributes to the formation of quality culture and, on the other hand, adds value to the organizational culture of institutions. The organizational culture/identity at case study universities is interpreted on the level of artifacts, values and beliefs (Schein, 2016; Bess & Dee, 2008). The effects of NPM on identity formation of case study universities is clear as universities have well-defined profiles, strategy, mission and objectives (Brunsson & Sahlin-Andersson, 2000; De Boer et al., 2007). All three universities follow strategic objectives and in the case of University II and University III mission statements, declared objectives and values of the institutions have become the bedrock in organization-building and planning of future activities.

The basis for quality assurance and enhancement at case study institutions is performance evaluation. The quality assessment is carried out in the form of surveys, questionnaires, interviews, discussions, reporting, SWOT analysis and needs assessment at selected institutions. The universities have exhibited an increasing interest in the concept of "objectivity" (ESG, 2015) and provision of performance indicators in evaluation reports. However, it is essential to see internal quality assurance beyond measurable data, as "what would be meaningful is not always measurable[16]," this approach is better observed at University II and University III.

The commitments to the principles of fitness for purpose, effectiveness, efficiency and continuous improvement are manifested in all three case study universities with variations on the level of efficiency and implementation. The establishment of quality assurance mechanisms and its merge with the concept of continuous quality enhancement has led to redefinition of stakeholder roles in formation and preservation of organizational culture. The holistic concept of integrating bottom-up and top-down approaches (Gover & Loukkola, 2015) in internal evaluation is observed on all cycles of organizational life such as fostering services, new programs, modifications to existing programs and services, staff recruitment and organizational design. The adherence to the aspect of ownership are most closely followed by University II and University III. In terms of sense-making, all three universities seem to employ coherent/relevant policies and mechanisms, however, the degree of coherence varies among the selected institutions. The key question is how the collected data is interpreted, whether all relevant data is analyzed and if QA mostly remains useful for the institutions (Sursock & Vettori, 2013).

The third key principle of quality culture is communication (Leisyte & Westerheijden, 2013; Sursock & Vettori, 2013; Gover & Loukkola, 2018) with stakeholders. The German university regularly holds administration and faculty 'retreats,' which serves as a meeting point of "top-down and bottom-up approaches" and ensures largescale discussions among internal actors. The University II reveals more openness in internal stakeholder communication by running academic and representative councils. The selected universities also recognize the importance of communication with external stakeholders. In case of University III, external stakeholders, representatives of public, private and civil sectors, have played a pivotal role in

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[16] Gover and Loukkola, 2018, p.17

formation of the institution and its strategy. The case study university is also distinguished by effective communication with potential employers.

One of the characteristics observed in development of quality enhancement mechanisms and quality culture in case study universities is recognizing students as key drivers of institutional change by granting significance to student feedback. At Georgian universities, student assessment has effect on program development, academic staff recruitment and improvement of student services, while at the German university there is more systematic approach to communication among students. The innovative ideas are discussed by top management and program leaders with faculty and students on a regular basis. This approach demonstrates adherence to the concepts of effectiveness and efficiency advancing the emphasis on implementation and output.

In terms of organizational culture, University II and University III are prone to egalitarian culture (Maasen, 1996; Veiga et al., 2011) exhibiting individualist subcultures on the level of academics. The organizational culture at University I is hierarchical, although there are signs of individualist culture among academic staff.

Based on the findings, internal evaluation has proved to have a significant impact on initial formation of the institutions' identities. The outcomes of internal evaluation affected the organizational design of selected institutions from the start. Particular importance in organizational transformation is given to the process of strategy development and mission statement at the German university. In case of Georgian universities, respondents have noted the importance of internal evaluation in enhancement of organizational design in a changing context. Thus, the findings indicate that there is a positive correlation between well-established organizational culture and internal quality assessment at case study institutions.

6. Conclusions

Thus, despite general 'isomorphic' (Reihlen & Wenzlaff, 2016; Broucker et al., 2015) character of initiatives that are observed at case study universities within the context of managed education, all three universities apply different mechanisms in implementation of major concepts. The key variance is revealed in adhering to the principles of ownership, sense-making and communication with stakeholders. Universities II and III reveal higher commitment to integrating bottom-up and top-down approaches (Gover & Loukkola, 2015) as part of their quality culture and more openness in communication with internal and external actors of HE.

The internal quality assessment, particularly SWOT analysis and needs assessment, has affected the identity formation of the case study institutions, including organizational transformation.

The comparative analysis of case study universities show that to ensure efficiency and effectiveness of internal quality assurance systems, universities should follow systemic and regular approach to implementation of the mission statement, objectives and values. The second important aspect is collecting and examining relevant data, which means analyzing beyond measurable data (Gover & Loukkola, 2018). The third implication for universities is communication with internal and external stakeholders, particularly students and potential employers, from all sectors in order to support and promote University identity in the target community.

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