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## **Change Management Challenges in Georgian Higher Education Institutions and the Necessary Tools for Handling Them**

### **Abstract**

In the rapidly changing world, companies are facing challenges in adapting to the accelerated processes of wanted or unwanted change. Therefore, maintaining stability becomes problematic for companies from any business sector and the absence of know-how makes it more complicated. Representing the area with fundamental importance to the development of a country, higher education institutions must overcome these challenges still staying competitive. For dealing with the above-mentioned problems, it is crucial to have a strategy, how to manage the process of change. Based on the survey conducted in Georgia and the online data research, the paper aims to describe the essence of organizational change, to reveal change management challenges faced by HEIs in Georgia and describe the famous models of change process implementation.

**Key words:** *HEI; Change Management; Strategy; Development; Challenge.*

### **აბსტრაქტი**

სწრაფად ცვალეზად სამყაროში, სასურველი თუ არასასურველი ცვლილებებისგან გამოწვეულ დაჩქარებულ პროცესებთან შეგუება კომპანიებისთვის გამოწვევას წარმოადგენს. ამის გამო, სტაბილურობის შენარჩუნება პრობლემური ხდება ბიზნესის ნებისმიერ სექტორში მოღვაწე კომპანიისთვის, ნოუ-ჰაუს არარსებობა კი პროცესს კიდევ უფრო ართულებს. წარმოადგენენ რა ქვეყნის განვითარებისთვის ფუნდამენტური მნიშვნელობის სფეროს, უმაღლესმა საგანმანათლებლო დაწესებულებებმა უნდა გადალახონ ეს გამოწვევები ისე, რომ არ დაკარგონ კონკურენტუნარიანობა საგანმანათლებლო ბაზარზე. ზემოაღნიშნულ პრობლემებთან გამკლავებისთვის, გადამწყვეტი მნიშვნელობა ენიჭება სტრატეგიას, თუ როგორ უნდა მოხდეს ცვლილებების პროცესის მართვა. საქართველოში ჩატარებული გამოკითხვისა და მონაცემთა ანალიზის მეშვეობით, ნაშრომი მიზნად ისახავს ორგანიზაციული ცვლილებების არსის აღწერას, საქართველოში არსებული უმაღლესი საგანმანათლებლო დაწესებულებების წინაშე მდგარი გამოწვევების გამოვლენას ცვლილებების მენეჯმენტის ჭრილში და მსოფლიოში ცნობილი ცვლილებების მართვის მოდელების აღწერას.

**საკვანძო სიტყვები:** *უმაღლესი საგანმანათლებლო დაწესებულება; ცვლილებების მართვა; სტრატეგია; განვითარება; გამოწვევა.*

## Introduction

Higher Education Institutions have a crucial role in the developing of a society. The high-level functioning of HEIs ensures the growth of competitive leaders, managers, politicians, etc. which in turn supports the well-being of the country. Therefore, the processes going inside the higher education institutions reflect on a larger scale than they could have been in other organizations.

In the modern world, when everything changes rapidly and the daily routines are accompanied by uncertainty, the need for managing change becomes inevitable. Being easily adaptable, and maintain the stability is a major challenge for HEIs as well as companies from any other field. Managing organizational change is one of the most important steps in planning and implementing a strategy. In this context, there is a need to assess the feasibility of change. Questions such as - what skills are needed to make rapid changes and how to manage the change process - need to be answered. Accordingly, the study of organizational development and change management is a topical and necessary task to improve the management of the organization.

As the change management process is closely related to human resource management of an organization, it can be reviewed as an organizational change. Many studies have been conducted worldwide, to explain the internal processes related to managing change. The geographic factor is another very important issue when doing survey on this topic. Depending on the geopolitical locations, countries have different styles of management and intercompany processes are run in a different way.

Given the vital importance of change, it is necessary to discuss the theoretical and practical aspects of its management. The aim of the paper is to highlight the need for organizational development orientation and modern aspects of organizational change management, analysis of transformation practices. Challenges of transformations in Georgian HEIs, and the effective ways of handling them should be identified.

The subject of research is the processes involved in the implementation of change in higher education institutions, the attitude of the management team, administration and academic staff towards change and the contradictions that arise during the transformation. The research object is Georgian universities. The sample consists of the university management team, administration, and academic staff. Quantitative research method was used in the research, namely face-to-face interview, and questionnaire.

There are numerous models and theories regarding organizational change management. An interesting model of change is offered by Hiatt, Mckinsey and Lewin. Their models do not exclude each other and have a logical link. The process of change management has theoretically been discussed by numerous researchers, including Kotter, Bridges, Adizes. Theoretically, they have thoroughly discussed change management, but it is interesting to examine these theoretical aspects on the example of Georgian HEIs.

In the research process, it turned out that management teams of Georgian HEIs have theoretical knowledge about the change process, although, when the changes are actually implemented in practice, they are unable to apply the knowledge. It was also revealed that the overall perception of HEI representatives towards the change management processes are positive and most of them believes that it is a vital component of competitive advantage on the education market. Another fact that the

research made clear is that HEIs in Georgia lack the support from the state government, be it the funding opportunities or human resource development.

### **Research Methodology**

To obtain the reliable results, the paper used four methods of qualitative research: case study, desk research, process tracing and semi-structured interviews. Interpretivism was chosen as a research philosophy, as the study focuses on multiple methods of change management and aims at showing the different aspects of the problem.

At the initial stage of the research, a questionnaire was sent to all HEIs operating in Georgia. Email participants were asked to disseminate the questionnaire within the HEI management team, administration, and academic personnel. 25 HEI representatives participated in the survey, 312 persons in total. The questionnaire included open and closed questions and aimed at revealing the knowledge and perception of participants towards change management.

The desk research was another tool for the research as it provided the possibility to analyze secondary data including research, journal articles, books, blogs, etc. The data was collected from the Ilia State University scientific databases and all the other available sources online.

Information on change management was provided by both Georgian and foreign language literature and Internet resources. For the literature review, the information was synthesized, and the changes discussed theoretically. For practical analysis, quantitative and qualitative methods were used, namely, questionnaires and in-depth interviews. Respondents included HEI top managers, administration and academic staff.

### **Change Management in Higher Education**

What is change? It is the presence of something new with no knowledge about how to deal with it. Dr. Ichak K. Adizes relates the change straight to the problem:

The more change, the more problems we will have. (Adizes 2016, 21)

However, it is obvious that there is no continuous success without breaking status-quo.

Even though, changes are directly linked to problems, it remains crucial for the companies, to keep up with the wanted or unwanted trends to gain competitive advantage on the market. Here comes the need for having a strategy, that, most likely, could help in dealing with the unwanted change.

Many studies have been conducted worldwide to observe the emotional side of the change process in organizations. Maria Dasborough, Peter Lamb and Yiliani Suseno in their research about the Emotions in Higher Education Change Management (Dasborough, Lamb, and Suseno 2015) analyzed the employees' emotions during a structural change. The purpose of the research was to identify the perceptions of employees towards the change and underline the psychological aspects of adapting with the new reality. The authors found that people who went through the changing processes in the organizations saw the opportunities of development, a threat that good management was needed to succeed, and the unavoidability of change. Dasborough, Lamb and Suseno claim that managers should

consider the employees' emotions individually and use the knowledge for better leading the process of change. This approach will give managers ability to analyze why people perceive change positively or negatively and what is the reason of their emotions being shifted.

According to Monica Davis and Matthew Fifolt, HEIs face challenges that may be a serious obstacle to their development and even their existence. Therefore, the research authors suggest that change in higher education is inevitable, constant, and very much needed for continuous sustainability. Change initiatives are managed by the change management program (CMP) in US HEIs, which helps employees to adapt with the new skills and understand the organizational problems better, the authors discuss. Supporters believe that CMPs are a good tool for successfully implementing the process of change within the organization, when opponents argue that CMPs do not address the initial problems and they only serve the superficial symptoms instead (Davis and Fifolt, 2018).

An interesting article was published in Leadership & Organization Development Journal in August 2018 (Hechanova, Caringal-Go, and Magsaysay, 2018). The study addresses the differences between academic institutions and business enterprises in terms of change management and commitment to change. As the key findings, the authors state that with all the other factors being similar, a difference was found in competencies that ensure effective change management.

“Execution competencies predicted effectiveness of CM in business enterprises whereas strategic and social competencies predicted perceived effectiveness of CM in academic institutions” (Hechanova, Caringal-Go, and Magsaysay 2018).

The authors suggest that change management execution depends on the organizational culture and therefore, the leaders of the process should be chosen carefully. Hechanova, Caringal-Go and Magsaysay claim that a nuanced approach is needed to be used when appointing the change leadership team. The same pathos can be seen in Regina Andriukaitiene's work (ANDRIUKAITIENE et al. 2018) where, together with the other authors she underlines the importance of organizational culture in managing the process of change. According to her, the organizational and corporate cultures are systems shared by the staff members and they should be supported by the organizational rules as they are related to the employees' perceptions to the organization. The authors argue that when the culture change becomes necessary, the process should include several important factors such as establishing a well-disposed climate of change, creating a possibility to communicate the problem with the top managers, strengthening the structural change and role modeling, supporting patience, etc. To be able to manage change, it should be considered that each organization is unique with its culture, and it is impossible to drive any process by ignoring the cultural specifics. According to the authors, reinforcing the organizational culture is a time-consuming process but inevitable at the same time to achieve the goals.

Professor of Higher Education and Sustainability Geoffrey Scott argued that higher education institutions were affected by the following factors: (Scott, 2003)

- Decrease in Government Funding

- Increase in competition
- Government Scrutiny
- Extending movement of consumer rights
- Uncontrollable spread of information technology and communication

Decrease in government funding in this high competition is caused by the perception that it is a cost rather than investment and that education in a private welfare not a public good, Scott claims. He underlines the fact that national quality-assurance agencies force HEIs to make the performance data available to public which is attractive for publications to create the HEI ranking tables.

Another important change force factor suggested by Professor Scott is the fact that students start complaining about education quality as the fees increase and this is accompanied by the up-to-date knowledge available online.

According to the author, as changes are unavoidable, it is crucial for HEIs to know the “what” and “how” of change. That “what” is all about identifying smart ideas and the best way for HEIs to face the challenges are (1) start “flexible learning” and (2) use online learning. To explain the above-mentioned idea, Scott refers to the research conducted in Australia according to which most of Australian 90 000 students respond best to the programs which meet the following criteria:

- They are appropriate to the needs and abilities of students and delivered by the responsive lecturers who are effective in teaching
- They include working possibilities for students with each other and with those who are having the same experience in learning
- They mix theory and practice and let students “learn by doing”
- They provide students with flexible learning opportunities
- They are supportive in administrative issues and make the learning resources maximally adjusted
- They provide opportunities of self-learning and help students to improve the experience by coaching.

## **Results of the Study**

This chapter presents the research data and discussion of the main findings. As described in methodology part, the qualitative research methods were used for the data collection. An online questionnaire with open and closed questions was disseminated among the 63 Georgian HEI management teams, administration, and academic personnel. The questionnaire had 312 responses in total. It addressed the following issues: what are the most important resources for gaining the competitive advantage on Georgian education market? Effective change management as a necessary tool for remaining competitive; The most difficult change management challenges for Georgian HEIs; Change management models and methods; Desired changes in Georgian HEIs.

75.2% of the research participants represented the state universities and the remaining 24.8% - private ones or other.

Their occupations were distributed as follows: 55.8% - academic personnel, 29.2% - administration, 5.8% - HEI management team, 9.3% - other.

87.5% of research participants consider that their universities are competitive, 4.2% thinks the opposite and 8.3% find it hard to answer the question.

On the question, what is the most important aspect for a HEI to become competitive on the education market, 16.7% named professionals in management team and the same percentage of the participants went for financial sustainability. 17.3% thinks that having experienced academic personnel is essential, 13.8% of participants believe that strategic vision of management team is the most important. Financial sustainability was named by 16.7% of the respondents and 83.3% of them thinks that all the above-mentioned factors are core components of successful change management. The remaining 5.4% believes that there are other factors which play the main role in changing process.

It should be noted that majority of the research participants – 95.5% in particular - responded positively on a question, whether effective change management is important or not for maintaining the competitive advantage on the market. Although, only the half of them – 51.9% thinks that their university manages changes effectively. 16.7% of the research participants believe that change management in their HEI is not successful and 31.4% of them refrain from answering the question.

Responses on the question about the hardest challenges of Georgian HEIs were distributed as follows: lack of knowledge about change management in the management team – 5.1%, lack of financial resources – 19.9%, problems related to human resource management – 9.3%, desire to maintain the status-quo in the management team – 7.7%, insufficient communication between the management team and employees – 7.7%, all the above-mentioned – 43.9%, other – 6.4%.

It is noteworthy that only 26.9% of the research participants have heard about the existence of change management methods. The remaining 73.1% either responded negatively on the question or refrained from answering. Another question was about the change management models which they have heard about or gone through them in practice. The following methods were named by the research participants: Deming cycle, ADKAR model, McKinsey 7S, models by Kotter and Lewin, EASIER change management model, Consistent Growth model, Bridges model, centralized and decentralized change management models, the Bottom-UP change management, etc.

At the end of the survey, the research participants were asked to write what they would change in the HEIs they work at. Answers listed the following: adding professional staff, improving teaching courses, appointing an experienced management team, changing management style, developing the popular courses based on a research, activation of HR policy, improving the strategic vision in the team, transforming the organizational management system into an agile management style and making the process of forming self-governing teams more flexible and adaptable, changing the target group, giving the private universities more flexibility, reinforcing the human resources, reducing formality as much as possible and increasing transparency, etc.

According to some participants of the research, bringing more young people to management teams and academic staff and assigning an appropriate salary is another necessary change to be implemented in Georgian HEIs. The author of the idea claims that young staff members trained in European, or US higher education institutions can establish a good practice in Georgian universities.

## Conclusion and Recommendations

By using the methods of qualitative research, such as semi-structured interviews, Case study, desk research and process tracing, the research shows that HEIs in Georgia need an effective management of the changing processes. Not to result in failure when trying to stay competitive on the market, HEI management teams should pay attention to the motivation of their academic and administrative staff. It ensures revealing the problematic areas of internal processes and help to effectively manage the processes. As the traditional methods of managing crisis become ineffective as time goes by, leaders should identify and analyze modern approaches to the education management and try to avoid remaining status-quo.

In developing countries like Georgia, using digital platforms of managing processes is not common for many organizations. This factor, in most cases, become a barrier for adapting the changing environment. Covid pandemic was a clear example of the unwanted change that transformed into a big challenge for HEI management. It should be concluded that Georgian education system lack of Government support in terms of consulting, development, and financing as well. As mentioned in the survey results, adequate resources to motivate staff by contributing in their professional development would be a step forward to improve HEIs performance efficiency.

As mentioned in the data analyses section, research shows that Georgian HEI management teams lack relevant knowledge in change management specifics. This conclusion may not apply to every HEI certainly, thus, I believe it would be beneficial for any organization to develop managerial skills to that direction.

It is worth mentioning as a recommendation, that HEIs, like any other organizations should learn to live with change, which requires readiness for any kind of uncertainty. To be prepared for unwanted circumstances, they should think strategically and develop human resources to as many directions as possible.

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