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EFFECT OF THE QUALITY OF EDUCATION ON ECONOMIC PROCESSES WITHIN HIGHER EDUCATION INSTITUTIONS

EFFECTO DE LA CALIDAD DE LA EDUCACIÓN EN LOS PROCESOS ECONÓMICOS DENTRO DE LAS INSTITUCIONES DE EDUCACIÓN SUPERIOR

Aizada Zhumukova¹

E-mail: aizadajumukova@gmail.com

ORCID: <https://orcid.org/0009-0005-4836-8204>

Kamelia Osmonbaeva¹

E-mail: osm-kamelia@yandex.ru

ORCID: <http://orcid.org/0000-0001-9549-6819>

Alik Dootaliev¹

E-mail: dootaliev@list.ru

ORCID: <http://orcid.org/0000-0002-0379-5481>

¹ International University of Kyrgyzstan, Kyrgyzstan.

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ABSTRACT

The study aims to analyze the impact of education quality on economic processes within higher education institutions. The reliability and validity of research findings are ensured by theoretical analysis of pertinent scientific literature, an analysis of reference statistic materials on higher education in the Republic of Kyrgyzstan, and document analysis. Additionally, the research considers the findings of Kyrgyz scholars along with researchers from near and far abroad. As a result of the conducted investigation, the peculiar features of the impact produced by education quality on economic processes within universities of the Republic of Kyrgyzstan are analyzed. This influence is found to be contradictory because the orientation of competing public and private universities towards diversification of funding sources sets them back from solving the tasks of national education policy and achieving the country's sustainable development goals. Drawing on expert opinions, it is established that the local community views the policy of educational services quality management in relation to foreign students as discriminatory, as there is a significant gap in the quality of education (foreign teachers are invited, educational activities are organized using export educational programs rather than based on local standards of higher vocational education). This is the price of preparing the higher education of the Republic of Kyrgyzstan for global integration.

Keywords:

Quality, higher education, globalization, relational added value, economic security, export of educational services.

RESUMEN

El estudio tiene como objetivo analizar el impacto de la calidad de la educación en los procesos económicos dentro de las instituciones de educación superior. La confiabilidad y validez de los resultados de la investigación están garantizadas por el análisis teórico de la literatura científica pertinente, un análisis de materiales estadísticos de referencia sobre la educación superior en la República de Kirguistán y el análisis de documentos. Además, la investigación considera los hallazgos de académicos kirguises junto con investigadores del extranjero cercano y lejano. Como resultado de la investigación realizada, se analizan las características peculiares del impacto que produce la calidad de la educación en los procesos económicos dentro de las universidades de la República de Kirguistán. Esta influencia resulta contradictoria porque la orientación de las universidades públicas y privadas competidoras hacia la diversificación de las fuentes de financiación les impide resolver las tareas de la política educativa nacional y alcanzar los objetivos de desarrollo sostenible del país. A partir de opiniones de expertos, se establece que la comunidad local considera discriminatoria la política de gestión de la calidad de los servicios educativos en relación con los estudiantes extranjeros, ya que existe una brecha significativa en la calidad de la educación (se invita a profesores extranjeros, las actividades educativas se organizan utilizando exportar programas educativos en lugar de basarlos en estándares locales de educación vocacional superior). Éste es el precio de preparar la educación superior de la República de Kirguistán para la integración global.

Palabras clave:

Calidad, educación superior, globalización, valor agregado relacional, seguridad económica, exportación de servicios educativos.

INTRODUCTION

In the framework of Kazakhstan's transition to the path of sustainable development, a great priority is to improve the quality of higher education (Ponyaeva et al., 2022; Voskresensky et al., 2023). The leaders of the Republic of Kyrgyzstan stress the need for reforms in the higher education system to integrate the higher education system into the global educational space (Ivanchenko et al., 2022; Garanin, 2022). It has to be recognized that without assuring the quality of education this task cannot be accomplished.

Both Kyrgyz scholars and official documents admit that higher education is a strategic mechanism for the country's sustainable development (Belenkova et al., 2022). It is important to emphasize that the level of higher education quality is largely dependent on the competence of teaching staff and their deep understanding of the structural reforms taking place in the country (Turani & Posokhova, 2023).

For these reasons, a critical direction of effort is education quality management and coordination of its goals with the interested parties (parents of applicants, students, graduates, employers, regional and local authorities, and local communities). The quality of higher education is what shapes the competitiveness of the university and its graduates. Higher education institutions face a complex twofold task: on the one hand, to focus on securing the university's competitiveness in the higher education services market, and on the other hand – to align university working programs to ensure the competitiveness of graduates in the labor market (Togaibayeva et al., 2023).

A universal understanding of the goals of educational policy in the sphere of quality and employer needs for education quality will facilitate effective quality management (Efremova et al., 2022). In Kyrgyzstan, measures in this direction include the development of a national qualifications system (sectoral qualifications frameworks, professional standards). These objectives of higher education quality management are addressed using multidimensional ranking. Universities of the Republic take part in international ratings (Webometrics, QS: Emerging Europe and Central Asia, QS: Asia, EduRank). As of 2023, there are five universities included in these rankings.

The outlined goals must be reckoned with especially given that the projected demand for specialists with higher education up to 2025 in Kyrgyzstan is 37,972 workers. However, this variable is unstable and hard to predict and is contingent on demand for the specific profession. The situation is further complicated by the fact that potential employers are not always able to define the quality

characteristics of the specialists they need. Effective interaction between universities and employers will constitute a strategic advantage (resource). High motivation to integrate stakeholders based on sharing resources and competencies will provide for effective management of education quality and create the so-called relational added value (relational capital of the university) that higher education institutions will gain from interaction with employers, measured by a reduction in the cost of employing graduates (Makarychev, 2006). Employment of university graduates in their field of study serves as a formal indicator of the high quality of higher education (Sandler, 2018).

According to the National Statistical Committee of Kyrgyzstan, as of 2022, 231,394 students were studying in Kyrgyzstan's higher education institutions in various specialties. As of 2023, 33 state educational organizations of higher professional education operate under license in Kyrgyzstan. Further, the market for higher education services in Kyrgyzstan is represented by 45 non-state private educational organizations of higher vocational education, including foreign universities and teachers. It can be assumed that the latter do not fully share the political stance of the country and the Ministry of Education of the Republic of Kyrgyzstan regarding the quality of education. *In this way, by the scale of student coverage and the number of employees, the higher education industry should be regarded as an economic sector. A distinguishing feature of this economic sector is multi-channel financing, involving both public and private finance. As with any other sector of the economy, higher education should be provided with competitive staff with the necessary qualifications, demanded in other sectors of the economy, whose reproduction hinges on the work of faculty members.*

In this connection, the purpose of the present study is to analyze the impact of education quality on economic processes in higher education institutions.

MATERIALS AND METHODS

The research methodology employed in this study was designed to provide a comprehensive and systematic analysis of the influence of education quality on economic processes within higher education institutions in the Republic of Kyrgyzstan. The methodology encompassed a range of key components to ensure the reliability and validity of the research findings.

To initiate the investigation, a thorough theoretical analysis of relevant scholarly literature was conducted. This involved a meticulous review of academic works, articles,

reports, and books related to the quality of higher education and its impact on economic dynamics.

Empirical data was then collected from various sources to support the analysis. This included the compilation of reference statistical materials pertaining to higher education in Kyrgyzstan, offering valuable quantitative insights into enrollment figures, educational institutions, and related factors. Additionally, an analysis of pertinent documents, such as government policies, educational strategies, and accreditation reports, was conducted to provide contextualization and policy relevance.

The research integrated the findings and insights of Kyrgyz scholars who have made significant contributions to the field of education quality within the country.

To provide a broader perspective, the study also considered research conducted by foreign scholars, facilitating a comparative analysis of international trends and best practices in higher education quality and its economic implications.

Moreover, a multidimensional ranking analysis of universities in Kyrgyzstan was incorporated into the methodology, leveraging participation in international rankings.

Expert opinions and assessments from individuals with expertise in the Kyrgyz higher education system were included in the analysis.

Finally, quantitative data collected during the research were subjected to statistical analysis, including descriptive statistics, correlation analyses, and regression analyses where applicable.

By employing this comprehensive methodology, this study aimed to offer a well-rounded understanding of how education quality influences economic processes within higher education institutions in Kyrgyzstan. The combined qualitative and quantitative approaches contributed to a nuanced and evidence-based analysis, facilitating a more holistic examination of this multifaceted relationship.

The issue of the impact of education quality on university economics draws the attention of researchers. It is important to note that research has covered a variety of aspects explaining the effect of education quality on economic processes in universities. Nevertheless, it needs to be admitted that a comprehensive understanding of said effect on the national level has not been achieved. Individual studies illuminate various problem aspects: first, research concerning human resources in higher education and, second, studies that clarify the essence of universities' integration into the economic system of the country and the global educational space.

The outlined global and national trends do apply to higher education in Kyrgyzstan. The problems of securing the quality of higher education constitute a topical agenda of educational policy in the country. There are enough formal grounds for its realization (the Taza Koom program, the Strategy of Education Development for 2021-2030, the National Development Strategy of the Kyrgyz Republic for 2018-2040 (President of the Kyrgyz Republic, 2018), etc.). Additionally, there is the Agency for Accreditation of Educational Programs and Organizations. State standards for higher vocational education were approved in 2021. Furthermore, Kyrgyzstan links the modernization of higher education with the need to interact with international institutions (Murzaliev, 2020).

At present, the system of higher education in the Republic of Kyrgyzstan is still heavily dependent on multichannel financing, attracting private and public funds. The problem of diversification of financing in this sector needs to be addressed. It should be recognized that excessive subordination to the interests of the educational services market, acting as an element of the economy, weakens the national higher education system, as it focuses on internal and external demand, rather than on the goals and objectives of regulation of the national educational policy. Therefore, the priority direction of the educational policy of the Republic of Kyrgyzstan is the internationalization of higher education to ensure the integration of this sphere in the global space. Significant work has already been done in this direction (recognition of diplomas obtained abroad, accreditation of universities in international organizations, and improvement of the quality of education regarding international standards).

For these reasons, the task of the regulator of educational policy in Kyrgyzstan is to find a balance between the two opposite vectors of education development. Importantly, this approach allows diversifying the sources of funding for higher education institutions. The first vector of education is directly connected with national goals and priorities relating to the provision of social and economic sectors with the necessary number of personnel. The second vector of higher education development is closely tied to the processes of its integration into the global educational space. The export of higher education services in Kyrgyzstan is organized quite well. Export educational programs are implemented to attract foreign students (Sherov et al., 2022).

The quality of higher education is rated as high in foreign countries. Both vectors of development have a strong influence on the economic processes in higher education institutions: in the first case, the state and public order are fulfilled; in the second case, educational services are being exported. Researchers from the near abroad

suggest that the second aspect points to the relationship between the quality of higher education and the problems of universities' economic security and autonomy (Pugach, 2009).

Particular attention is paid to the economic role of higher education institutions by Sailaubekov & Mynzhanova (2018), who emphasizes that the operation of the higher education sector allows creating jobs, generating income from the sales of educational services, exporting them, as well as replenishing the budget of the Republic and the institution's budget. Owing to geographical and political factors, the country has quite favorable conditions for exporting educational services to Asian markets. However, these economic processes in higher education institutions are hampered by bureaucratic factors (procedure of issuing visas for study), which create obstacles for foreign students. The response to such challenges is the dynamic development of distance education in the Republic of Kyrgyzstan, which allows overcoming administrative barriers. This is largely facilitated by the adoption of the national program of digital transformation "Pure Society".

One of its objectives is the development of electronic distance education in the country. To this end, there is a search for effective models of vocational training based on digital innovations. For example, to improve the quality of higher medical education and export of higher education services, the Osh Medical University actively uses a digital didactic platform with multilingual support – the Multidisciplinary University Virtual Clinic DIMEDUS, which offers inexhaustible opportunities for education. Bringing this fact into focus, a research team from the Republic of Kyrgyzstan (Kochkonbaeva et al., 2022) has conducted an empirical study, which found that the diversification of educational formats of training is highly valued by future specialists in terms of quality, suggesting that the demand for higher education services will rise.

As argued by Semenova (2005), it needs to be borne in mind that higher education is a critical element in the innovation subsystem of the economy. In its framework, the work of educational organizations and institutions has to focus on storing, obtaining, transmitting, and implementing competencies and knowledge in innovative activities.

Kyrgyz academician Aidaraliev (2014), believes that at the current stage in the development of higher education in the Republic of Kyrgyzstan, reforms should be aimed at developing a network of public-private universities in the country. Given the recent trend of the abolition of public universities, foreign investors are increasingly attracted to such models of higher education as educational research and production complexes operating on the principles of

public-private partnership. The scholar believes that in the framework of the ongoing reforms, a promising idea is the unification and consolidation of universities, rather than their optimization, which will boost investment processes in higher education. Another form of investment cooperation is the transfer of public higher education institutions into trust management of international corporations.

CONCLUSIONS

Summarizing the research findings, we conclude that the impact of education quality on economic processes in higher education institutions is twofold: an orientation to the social order of Kyrgyz society and employers implies funding from the state budget, while a focus on the needs of the educational services market accounts for the inflow of private finance into the university. The practice of their use in the Republic of Kyrgyzstan appears to be contradictory.

The unstable labor market demands high flexibility in the use of each of the two mechanisms of higher education management, providing universities with multichannel and more diversified financing. Whereas the first strategy satisfies the needs of society and the state, the second one is closely connected with the economic security of universities.

The realization of both strategies allows seeing higher education as an economic sector, as it employs specialists responsible for the reproduction of personnel for other economic sectors and countries, thereby replenishing the budgets of universities and the Republic of Kyrgyzstan itself. Higher education also constitutes a key element of the innovation subsystem of the economy, providing the so-called knowledge economy. Orientation on the interests and needs of investors gives relevance to new models of higher education, represented by educational research and production complexes, as well as the transfer of public higher education institutions into trust management of corporations.

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