

Higher Education of Central Asia and Russia: Building Corporate Brand

Yelena Istileulova,

Director of the Center for Research and Development, IAB

The independence of Central Asian countries at the beginning of 1990's brought economic, social and political challenges that these republics were unprepared to meet. While there has been political continuity for the most part, the economy was no a longer part of a broader production system; governments no longer received transfers from Moscow for social programs in the education system or subsidies for training, education and research.

Despite their common origin, each system of higher education in Russia and Central Asia is currently developing its own national education context that consists of **three dimensions**. First, higher education is part of a national education system and responds to the demands and capabilities of secondary education. Second, education is closely related to and influenced by the labor market, which means that graduates have to sell their skills to employers. Third, national competitiveness requires an economy that can produce and sustain a broad range of skills.

On the other hand, the leaders of higher education may derive guidance to manage effectively the most important **intangible asset** a university or business school owns – its long-term image and bundle of core meanings. Universities or business schools have a tangible value, like case flow and earnings, and an intangible value connected with the university's brand image.

In many cases, business leaders obsess about their company's brand image. Leaders in higher education likewise fixate on their school's perceived image and value equity in the marketplace because it is about brand equity. In our perception, a **brand** is a mental expression or sign of quality. A product has a brand by which consumers can judge the quality before seeing the features of the product. The corporate value "brand equity" represents a strong emotional connection to position our brand with customers. Therefore, **brand equity** is about your reputation: the reputation of each university or business school.

Because of that, branding is a phenomenon that has become increasingly common worldwide in higher education over the last few years. It entails defining the essence of what a university "is", what it "stands for", and what it is going to be known for. This requires precision and consistency in the formulations and internal commitment to the brand.

Waeraas and Solbakk (2009) give the explanation that in the face of increased national and international competition, universities and colleges in all parts of the world have begun a search for unique definitions of what they are in order to differentiate themselves and to attract students and academic staff. The authors list a **range of views of branding** from the literature:

- Positive views, where the authors see "branding as an instrument for improving competitiveness and reputation".
- Not so positive, where the authors think "branding is not a rational tool, but just a myth or a symbol that universities use to demonstrate conformity to their institutional environments". This is a view which can lead to cliché and conformity.
- The opposing view that suggests "its implementation challenges the traditional values that exist within academia in general and within specific universities in particular".

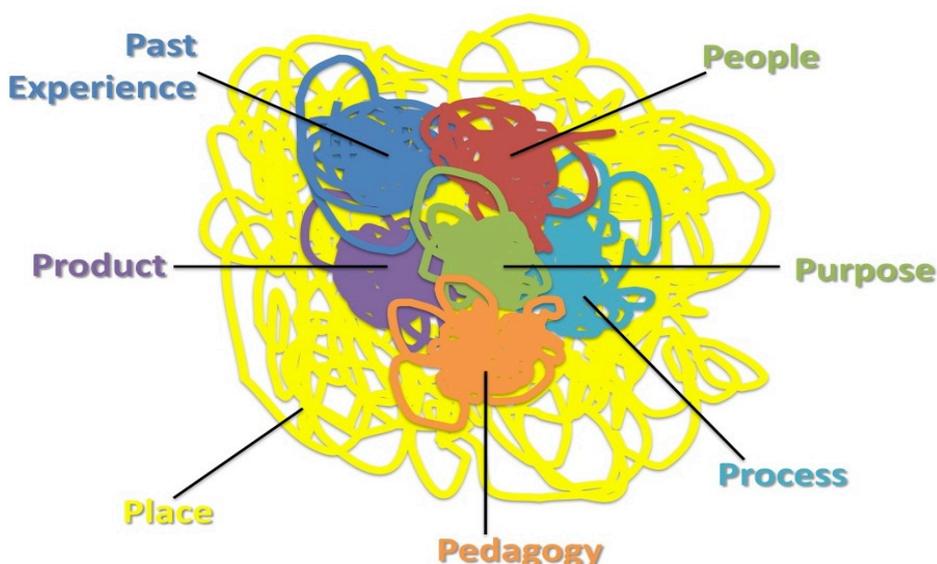
According to Paul Herr (1996), colleges and universities have begun to embrace the fundamentals principles of integrated marketing and branding including: *first of all*, the sum total of all associations that are made with an organization or product, *and second*, the use of

“Branding” that involves concerted efforts to influence desired brand associations; the process that moves an organization from the existing brand to the desired brand.

At the same time, every brand experience carries a defining moment that will determine how a customer reacts. Every organization—universities included—should be charged with creating a map of the experience customers will have with a given business and brand. By doing so, they identify every opportunity for a customer to connect with one or more of the company’s employees (Sartain and Schumann, 2006). If they fail to do so, they risk sending conflicting messages to their constituents. Without effective internal branding, conflicting messages are almost assured.

However, an important distinction arise between brands and higher education at this point. Universities have multiple constituencies that may have conflicting cognitive representations and values. One of the larger problems facing higher education in the face of rapid change is optimally balancing positioning among various constituents. In the mentality of different people, the branding image of University could include a variety of either few or all characteristics of Ps:

Picture 1



From the side, it is also an intangible value of Universities that matter in corporate strategy: a mission, strategy, traditions, ceremonies and values, slogan, policy and procedures.

It is interesting to see how the elements of corporate culture influence Universities. By implication, organizations with strong traditions and deeply rooted values will be difficult to change, leaving top management a few degrees of freedom in terms of the potential for planned change. Attempts by managers to treat organizational identity as a holistic, overarching phenomenon are likely to produce resistance and conflicts (Humphreys and Brown 2002).

The power of a brand in Universities is represented by all thoughts, feelings, perceptions, images, and experiences that become linked to the brand in the minds of customers, and what consumers have learned, felt, seen, and heard about the brand over time.

The **research question** raised here asks what ways branding and intangible value exists in higher education in Central Asian countries and Russia as well as how intangible values are different from each other. There was not any previous research done on this particular subject in the universities of Central Asia.

The following issues are going to be explored: what intangible values do Universities of Central Asia and Russia have and how are they different from each other? What is the perception of the Universities' brand? What are the elements of the corporate culture each country's universities?

The cross-sectional survey was applied to this research with a specially designed questionnaire with peculiarities for each Central Asian country's higher education systems including the issues of intangible value. This survey questionnaire was distributed in May, 2010 among the representatives of the higher educational institutions in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan that participate in the Tempus project "Perseus". Similar research was conducted in the MIRBIS, - Moscow International Higher Business School in June, 2010, on Faculty members of 3 Russian business schools.

The composition of the Central Asian universities consisted of the representatives of 8 Universities from Uzbekistan (from the following regions: Andijan, Karshi, Bukhara, Tashkent, Samarkand and Urgench); 7 Universities from Tajikistan (regionally represented by Kulob, Dushanbe, Khorog, Khujand), 6 Universities from Kyrgyzstan (selected from Jalal-Abad, Talas, Issyk-Kyl, Bishkek), and 9 Universities from Kazakhstan (from Karaganda, Uralsk, Almaty).

The sample group of universities is represented by the heads of international departments, vice-rectors of Science & Research and the deans of faculties. Representatives of Russian business schools consist of faculty members.

1. Perception of Brand: internal view of universities

The results of research show that the representatives of universities perceive that "their corporate brand personality as an intangible value" exists in a market in 33% of universities' respondents in the cases of Russia and Kazakhstan. The other results are distributed in the following way:

Graph 1



From the graph we can see that the notion of internal branding perception among Central Asian HEIs is more represented in Kazakhstan (33% of our sample), followed by Kyrgyzstan (28,6%), Uzbekistan (16%) and is the least represented in Tadjikistan (in 16% of our sample). Russia was the first country to start the process branding of their business schools and universities. In our case, the sample of Russian universities is less representative because of its small size.

Russia and Kazakhstan have been involved into the practice of branding their universities than their counterparts in Central Asia, which can be shown in the results in Graph 1. In Kazakhstan,

the practice of branding started about 3 years ago when the first possibilities of getting an international accreditation occurred. In Kazakhstan, we can see a positive view where “branding as an instrument for improving competitiveness and reputation” is connected with the Bologna process and introduced accreditation practices.

Central Asian leaders made their first attempts at nation branding in the 2000’s which, as a concept, appeared in the mid-1990s. The concept described the practice of constructing and communicating a unique image about a specific nation to the rest of the world through public diplomacy, trade, exports promotion and tourism (Anholt 2007, p. 3). A nation brand reflects the complex reality of a country by encapsulating its culture, history, people, government and business in a short motto or image (Anholt 2007, p. 405).

Out of the numerous messages promoted in the international media, we promoted the image of Kazakhstan as “the Heart of Eurasia”. Uzbekistan, in turn, presents itself as a ‘Crossroads of Civilizations’. The Kyrgyz government has been less pretentious in choosing a slogan: *Kyrgyzstan—a land of wonders* and the rather curious *Kyrgyzstan—a land of Santa Claus*.

In our survey, we investigated the availabilities of branding in HEIs of Central Asia only because this process is quite a new trend here. The practice was first implemented in the business schools of Kazakhstan about 3 years ago and it is still a recent practice to in many universities. The common mistake is that the faculty typically associates branding with marketing, which in turn is associated with advertising. The top-managers of Central Asian universities have to start introducing branding oriented strategies, making them transparent to both faculty members and customers.

In today’s higher education landscape, college and university leaders may also consider the principles of brand management to assure their positions vis-a-vis their competitors. Higher education leaders may derive guidance to effectively manage what may be the most important intangible asset a university owns—its long-term image and bundle of core meaning.

An additional argument for the practice of branding is that Central Asian countries are under a demographic decline that started in 1991. Since the beginning of 2008 the number of enrolled students has been shrinking and the competition among universities has become very stiff. As a result, colleges and universities have learned that they must become more accountable to their constituents and develop their sustainability strategies. As a result of this competition, Kazakhstan as well as the other countries of Central Asia have developed and introduced their strategies and some of them have turned to branding as a solution.

The countries outside of the EU such as Russia and Kazakhstan are also included in the Bologna global process, which brings the European system closer to its North-American homologue. This does not imply that its effects, including the specific content of the changes it brings about, are the same everywhere. The expectations are that Kazakhstan would be the leader among its Central Asian counterparts in terms of branding practices in HEIs.

Thus, the trend is such that a university name is being perceived as a brand. so The key questions are: What do you want your university to stand for? What do you want it to mean in the mind of your customers?

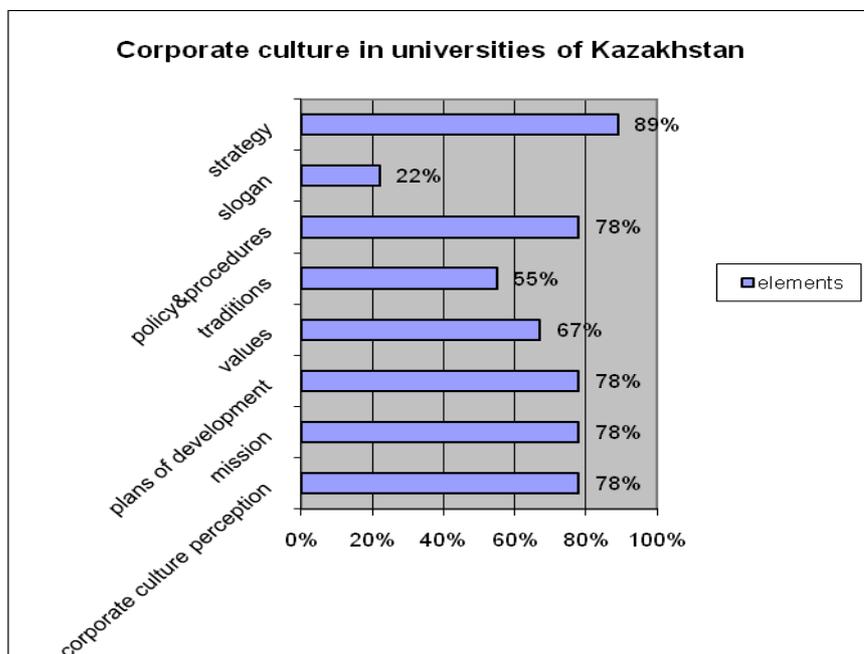
2. Perception of corporate culture: internal view of universities

Many organizations have difficulty in understanding the connections between culture and brand (Brown 2006). Corporate approaches to brand development are based on strategic and verbal identity-building efforts. Institutions of higher learning have the opportunity to think differently about their approaches to brand building. They can embrace the corporate model by concentrating on internal branding.

Corporate culture in universities is often called "the character of an organization" since it embodies the vision of the company's founders. From the results of our survey, we can also make some judgments about the other elements of corporate culture that is perceived as the total sum of the values, customs, traditions, and meanings that make each university unique.

It should be noted, that in the environment of the HEIs of Central Asia, we observe big differences in the average monthly incomes of faculty members (with a local PhDs - candidate of science degree) in 2010 that are unevenly distributed among these countries: Tajikistan (\$170), Kyrgyzstan (\$250), Uzbekistan (\$350), Kazakhstan (\$680), and Russia (\$2200).

Graph 2



The survey results of Graph 2 show that the respondents in the Kazakhstan outline availability of strategies in their universities (89%). The main values of universities that are defined through their missions (78%) are presented better than in the rest of Central Asian universities. Along with the strategy and mission, the plans of development and policy & procedures prevail over the other elements of corporate culture.

As a whole, a perception of corporate cultures here are the highest one among the rest of Central Asian universities.

In the case of Uzbekistan, other elements of corporate culture are dominant: slogans and plans of development

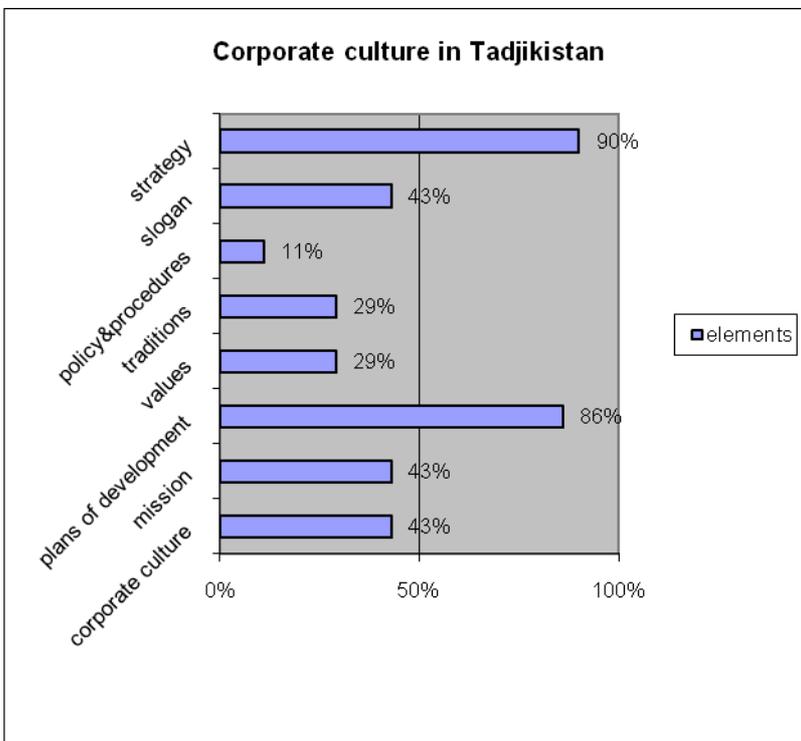
Graph 3



In 2007, Thomas Bartlett wrote about school slogans in the *Chronicle of Higher Education*. His article, titled “Your (Lame) Slogan Here,” (November 23, 2007), discussed the obsession that many institutions have with mottos (slogans) and taglines. Bartlett asks whether colleges and universities really need a motto, pointing out that most alumni do not know their alma mater’s slogan.

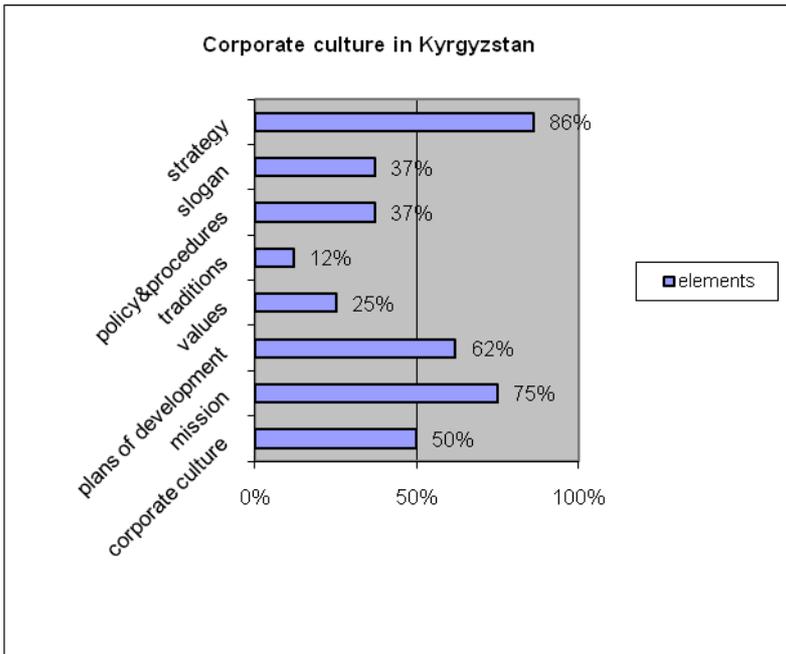
In the higher education of Tajikistan, along with strategies, the plans of development are more dominant (86%):

Graph 4



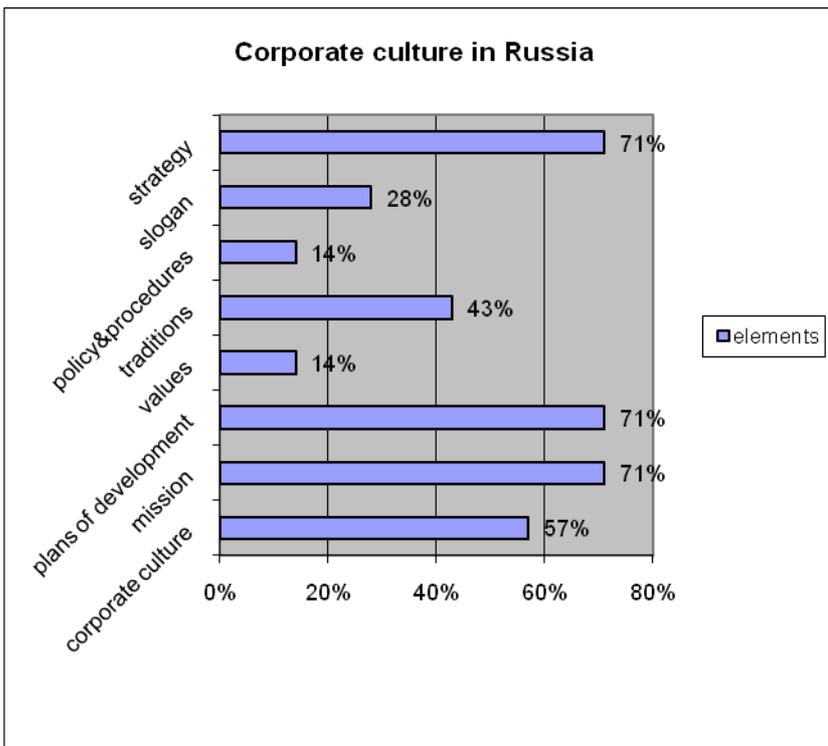
In the Universities of Kyrgyzstan, missions dominate over the other elements of corporate culture:

Graph 5



In Russia mission and plans of development is a major part among the other elements of corporate culture

Graph 6



These preliminary results of the survey show the differences in perception of the intangible value in the universities of Central Asia and Russia that need further analysis in terms of different reasons.

When referring to intangibles we are referring to the measurement of elements that are especially significant in HEIs, since a university's main inputs and outputs are basically intangibles (mostly knowledge and human resources). However, only a small part of these are identified and very limited instruments exist to measure and manage them (Canibano and Sanchez, 2004).

Because of the new demands for accountability in public institutions, universities and research centers are forced to be more transparent and to disseminate more information to stakeholders: students, public authorities funding universities, the labour market, and society as a whole.

Evidence indicates that about few years ago some universities in Central Asia have just recently started struggling to make branding work. Many HEIs lack the budgets; the others suffer from frequent leadership changes, with one administration dropping the initiatives of its predecessors. But for the most part, it appears that the biggest mistake institutions make in Central Asia when undertaking branding initiatives, is failure to embrace a strategy that includes an internal component to brand development.

The “Bologna Process” is introducing structural transformation towards the homogenization of the European HE sector and Kazakhstan recently became a member of this process. Furthermore, new financial and social pressures have led to a number of significant changes. Accordingly, at the heart of the discussion are: new methods for measuring university performance and efficiency, creation of accreditation agencies at national and regional levels, institutionalization of new funding mechanisms, reforms of national legislations to increase the level of university autonomy, and the introduction of managerial tools to improve their internal management.

Brand equity is how your customers or prospects recognize you to be different and or better than the rest. This depends on their experience with the countries’ position, their universities company's products and services, and other intangible values like missions, slogans, behavior, etc...

From this point of view, the new research question could be stated as how are the internal perceptions of Central Asian Universities different from external perception of their customers.

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