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# How do higher education systems of developing countries respond to the push for implementing reforms and innovation? The case of Bulgaria.

## **Abstract:**

Higher education systems are currently subject to intense changes worldwide. Higher education systems in developing countries are particularly vulnerable and under pressure because of their political and economic conditions. This paper aims to provide insight on the drivers and barriers to innovations and strategic reforms in the higher education sector of developing countries in Eastern Europe. Forty-six in-depth interviews were conducted, involving representatives of three perspectives: policy makers/experts, university top and middle management, and academics. Multi-level data analysis identified barriers and drivers of social innovation and organisational learning, as well as their sources and their perceived effects. Surprisingly, individual and system barriers are associated with organisational learning, while the organisational barriers are associated with globalization and inequality. The original contribution of this paper is its conceptual framework, which may be valid beyond the HE sector.

**Key words:** social innovation, organisational learning, higher education, developing countries.

## **Introduction:**

Higher education (HE) is currently subject to intense changes all around the world, as an outcome of the economic growth, technological innovations, and the increased competitive pressures resulting from globalisation (Dobbins Knill, and Vögtle, 2011; Popescu, 2015). The 2007-2008 financial crisis and the following global recession also created additional pressure for HE systems and institutions (Boden and Nedeva, 2010). The crowded marketplace of HE is not immune from these profound economic and social changes and dynamics (Pucciarelli and Kaplan, 2016). Universities are now expected to operate as ‘service industries’ rather than being “intellectually enlightened” (Yorke, 2006). A report of The World Bank shows that there is a growing tendency for researching innovation in the educational context due to the progress of both public and private services in both developed and developing countries (The World Bank Group, 2015).

This study examines the HE system through the perspective of organisational learning, as this is a discipline associated with adaptation toward environmental changes and improvement of effectiveness through collective actions (Prelicean, 2016). Universities are considered to have a natural capacity to handle dynamic and challenging environments, as they can benefit from their ability to employ, explore and develop the concept of organisational learning in their unique way (Franklin, Hodgkinson and Stewart, 1998). However, this doesn’t mean that all universities are automatically learning organisations (Patterson, 1999). Knowledge creation is believed to be a significant condition for continuous innovation and lasting competitive advantage in the contemporary uncertain environment (Sitar and Škerlavaj, 2018)

We chose the HE system in Bulgaria as a case study because the state has gone through three catalytic periods of transformation, which have significantly influenced the HE system: ‘the fall of communism in 1989’; ‘expansion and diversification’; and ‘alignment with the

Bologna framework' (Slatcheva- Durst, 2010). The Bulgarian case may be indicative for other Eastern European countries in similar situations. The regular report of the European Commission for the period 2014-2020 shows that there is a mismatch between the quality and compatibility of the Bulgarian HE system and European HE systems (Strategy for Development of Higher Education in The Republic of Bulgaria for the 2014-2020 period, 2016).

Furthermore, despite critical problems in the HE systems of the Eastern European Countries and the rising interest among scholars and researchers about social innovation, there is a lack of empirical research studying it. A further reason why research efforts are needed in this field is that social innovation theory suffers from scant empirical investigation: most of the studies examining social innovation are predominantly conceptual and review (Windrum et al., 2016). A similar view was suggested also by Adams and Hess (2010), who argue that there is a great mismatch between theory and practice in developing knowledge and understanding of this social phenomenon.

The aim of the study is to answer the following research questions: first, what are the drivers or enablers of reforms for the HE sector and how do they help organisational learning? Our second research question focuses on the barriers that might hinder such developments. By answering these research questions we offer the following contribution: an expansion of the theories of 'social innovation' and 'learning organisations' through a multi-level analysis of HE systems as perceived at the individual, organisational and system levels. We identify both drivers and barriers for organisational learning, and identify their sources and perceived outcomes. We expect our conceptual contribution to be valid beyond the HE sector. Further, the study has several managerial implications at both the practical and strategy level for HE systems.

## **Theoretical background**

### *Organisational learning*

The theory of Organisational Learning (OL) has developed over the past decades, starting during the 1960s with the discovery that individual goals are different from organisational goals (Arumugam, Idris & Munusamy, 2015). Organisational learning theory is influenced by the motivational and achievement goal theories (Dweck, 1986; Dweck & Leggett, 1988 in Chadwick & Raver, 2015), as these theories explain why certain individuals, groups and organisations are more or less likely to learn. The concept of learning is observed from numerous perspectives and mainly developed in psychological and sociological fields, but in the past decades OL started to be applied in the organisational context (Wang & Ahmed, 2003). In addition, a review of literature also shows that OL is surrounded by extensive confusion in terms of the definition and the nature of the subject (Ponnuswamy & Manohar, 2016). Theorists also argue that OL represents the process of generating, distributing, developing and translating knowledge into innovation (Zappa & Robins, 2016: 295).

### *Higher education institutions as learning organisations*

HE systems are defined as 'national systems that gather together a good share of those individuals who develop and disseminate the intellectual heritage of the world' (Clark, 1983:1). The purpose and the function of HE systems have changed in the past decades as

nowadays HE is perceived not only as a ‘provider or services for the education of qualified workforce’, but also as a stimulator for individuals with entrepreneurial spirit for producing knowledge through research (Ozdem, 2011:1892). Although, this was mostly valid for the Western developed countries – it is now spread worldwide through globalization. Altbach (2015:2) argue that we are in the ‘midst of a true revolution in higher education’. This revolution involves profound changes of our primary understanding of the role of the higher education institutions. While this transformation of higher education may be positive for the HE systems and institutions in the developed economies, they are expected to be harmful for the emerging academic systems, which academic needs must be protected (Altbach, 2015). The harm that the commercialisation of HE can cause to the developing countries is in the fact that they will no longer be able to contribute to the national development. Higher education institutions/systems have various direct and indirect contributions in a country to strengthen the economy by generating knowledge (Sari, Firat & Karaduman, 2016). Although creating knowledge is the main and most fundamental purpose of HE institutions, they are not necessarily learning organisations by default (Bui & Baruch, 2012; Patterson, 1999). Tosey and Mathison (2008) argue that ‘learning organisation’ is a desirable status of an organisational structure for HE institutions, as well as for other organisations. In fact, the establishment of ‘learning organisations’ is equally important for both public and private organisations. Recent studies propose that knowledge creation is crucial for continuous improvement and lasting competitive advantage in the present uncertain environment (Sitar and Škerlavaj, 2018; Ortenblad and Koris, 2014). The literature suggests that all stakeholder groups (managers, employees and the society) will benefit if HEIs become learning organisations and create climates for learning (Ortenblad and Koris, 2014; Jorgensen, 2018).

As mentioned above, HE is currently subject to intense changes all around the world, as an outcome of economic growth, technological innovations, and the increased competitive pressures resulting from globalisation (Popescu, 2015). In Europe, the introduction of the Bologna Process and system formed a situation in which the higher education institutions (HEIs) are progressively subject to competing visions of how university systems and institutions should be governed (Olsen & Maassen, 2007; Vaira, 2004; Krucken, Kosmutzky and Torca, 2007). This creates a major conflict between the individual national HE systems, which are based on historical and institutional development, and the Bologna Process. Dobbins et al. (2011) argue that there are enough reasons for it to be assumed that Bologna will probably foster changes in national governance structures.

Theoretically, strategic reforms are associated with organisational change, transformation and sustainability (Howard-Grenville et al. 2017). Transformation involving sustainability requires broader and more systematic change on societal level (Barth and Michelsen, 2013). Any change of a product, process, idea, principle, intervention, legislation, combination or social movement is considered ‘social innovation’ (Phills, Deiglmeier, and Miller, 2008). An example of social innovation is innovation in an education system that has been transformed into a modern education system (Johannessen, 2013). HE innovation is perceived as an outcome of changes in both economic and regional contexts in which HEIs are operating (Pinheiro, Geschwind, & Aarrevaara, 2014; Pinheiro, Geschwind & Aaeavaara, 2016), as well as emerging from changes in public policies affecting HEIs organisations (e.g. Richmond, 2015). This, however, does not fully capture the complexity of the phenomenon of social innovation, which involves three main levels: system, institutional and individual (Jepperson & Meyer 2011).

## **Research Method**

This paper pursues the gain of deeper and richer understanding about the phenomenon of social innovation, which stresses the importance of the context in which social innovation can occur. Examining innovation and reforms in HE as forms of social innovation in diverse contexts is essential to gain knowledge and understanding (Shaw & Bruin, 2013). For this purpose, the HE system in Bulgaria was chosen as a context of this study, as it seems to exemplify this situation (Johannessen, 2013). Further, Bulgaria is similar to other post-communist countries, displaying a specific political, social and economic environment resulting from the transformation of the state from its socialist socio-economic past to its current status as a member of the European Union (Slantcheva-Durst, 2010).

This paper adopts a subjectivist research philosophy, as it sees the objective aspects of management as less important than the way managers attach their own individual meanings to their jobs and to their ideas of how these jobs have to be performed (Saunders, Lewis & Thornhill, 2016). The approach to empirical research adopted for this study was one of induction, as it allows the researcher to understand better the nature of the problem or the situation (Saunders et al., 2016). A qualitative research design was employed, which involved the adoption of a single case study approach. Qualitative research on social innovations goes beyond description (Short, Moss and Lumpkin, 2009) and offers insight on the context and process of social innovation for expanding the broadness of knowledge about contemporary significant phenomena like social innovation. Such an approach offers a deeper understanding of both process and context (Eisenhardt & Graebner, 2007), by gathering triangulated data from 46 semi-structured interviews with three different categories of individuals: academics, policy makers/experts, and top university managers. This follows the recommendations of Herrera (2016), who proposes that a quality research on social innovation involves researching from multiple perceptions (e.g. policymakers, leaders of social change, educators, and researchers).

The sample size is considered ‘good size sample’, according to Saunders & Townsend (2016), far above the norm. This has also helped to reach saturation point of data, which is required for qualitative studies (Corbin & Strauss, 2008), as category saturation is “one of the primary means of verification in grounded theory” (Suddaby, 2006).

Audio recordings of the interviews were transformed into transcripts, which were coded and analysed via NVivo 12 software. Each node was compared and contrasted to other nodes and read carefully line by line in order that the validation of data was assured. Furthermore, data validation was also assured by triangulation and conducting interviews in two groups/parts: 23 in 2016, and other 23 in 2017. Thus, the answers provided by the first group/parts were compared with the second. Furthermore, this technique allowed the researcher to ask more specific and deeper questions.

## **Findings**

In order that views about innovations and strategic reforms can be examined in the context of the HE system, an awareness of the specifics of the system is necessary. This section gives insight into the nature of HE seen through the eyes of the interview participants (Interviews: 12, 13, 17, 20, 22, 23, 31, 33, 35, 37, 38, 42, 43, 44, 45).

### *Higher education system*

Reflection upon the conservativeness of the HE system appeared to be relatively common among the participants (Interviews: 12, 20, 22, 23, 30, 35, 37, 38, 44). This characteristic of the HE system has become a subject of discussion as it is fundamental for examining the potential for innovations and reforms within the HE system. Academics from two public universities emphasised conservativeness of the system:

*'the higher education system is conservative'* (Interview 12: academic, public university, economic sciences),

*'our profession and higher education in general, does not change dynamically'* (Interview 35: academic, public university, applied sciences),

*'higher education has to be consolidated in order to be able to create education product of high quality'* (Interview 37: faculty dean, public university, library studies).

Interview participants demonstrated quite reserved and negative positions toward the ongoing process of transformation of HE systems worldwide into business organisations (Interview 45: academics, public university, natural sciences).

Yet, there were interview participants who demonstrated a quite neutral position toward this transformation, which involves seeking alternative sources of funding rather than just relying on state funding:

*"My observations are such that universities have started to change especially when it comes to seeking actively alternative sources for research funding.* (Interview 33: academic, public university, engineer sciences).

### *Reforms in the Higher education system*

Discussion about past, current and potential reforms in the HE system was engaged with by a significant number of interview participants, who actively contributed to the discussion (Interviews: 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 21, 22, 23, 25, 27, 28, 31, 35, 36, 37, 38, 39, 40, 42, 43, 44, 46). The sub-topics that emerged during this discussion were related to resistance to changes and reforms among system actors (Interviews: 9, 12, 15, 16, 18, 21, 22, 23, 28, 31, 35, 36, 40, 42, 44); acceptance of change and reforms (Interviews: 10, 13, 16), and the need of reforms within the system (Interviews: 14, 39, 46).

Data findings show that the interview participants who discussed HE reforms were sometimes of opposite opinions: some were against reforms (Interviews: 11, 15, 17, 35, 38, 39), whilst others were totally up for them (Interviews: 14, 16, 26, 31, 37, 46). It could be easily sensed during the interviews that there was a growing demand for reforms in many areas of higher education, but at the same time the resistance to changes is also quite big. A faculty dean in a public university argued that even when HEIs are not responsive to the external call for reforms and try to keep the status quo, conditions are getting worse all the time:

*“In my personal view, there are many aspects of higher education that need to be reformed. When these needs are not met, things are getting worse by time” – (Interview 14: faculty dean, public university, economic sciences).*

The majority of those who commented on the reforming of the HE system felt that reforms need to be smooth and slow (Interviews: 46, 16, 38, 44, 11), as well as implemented cautiously, as they have also an impact on the other systems within a state:

*Do you realize what will happen if tomorrow the government decides to reduce the number of HEIs and proposes to the National Assembly to close a university? This will cause regional uprising, the whole city where this university is located will be uprising. I am convinced of this. As you can see, it is very difficult to implement such reforms” – (Interviews 31: head of department, public university, law studies).*

Yet, there were supporters of more radical reforms and changes (i.e. interview 37), who explained that small and constant reforms are inappropriate and pointless solutions for complex problems. More importantly, this interviewee opens a debate whether the reforms and the re-design of the HE system have to be implemented radically or incrementally.

An interesting point was also made by an academic who alluded to the notion of the social aspect of re-designing a system:

*“The system can be re-designed. This can improve it in a way that the material world will immediately be benefited. However, the spiritual aspect of this change is what is missing. Systems can be perfectly designed, but people are the ones who give a soul to these systems” – (Interview 39: academic, public university, humanities).*

This lengthy extract holds an unconventional prospect that people are the ‘soul of the system’, which is responsible for the quality of interactions and collaboration within the system. However, this is entirely contrasting with what Gharajedaghi (2011) states: that the quality of elements within a system is less important than the quality of interactions between them. Yet, it supports Nicolas and Harrison (2018), who argue that in order for innovations and reforms to be successful, there must be institutional and contextual prepositions such as interpretative context.

## Resistance to changes

The proceeding section discusses the sub-topic of ‘change resistance’ that emerged in a great number of interviews (Interviews: 9, 12, 13, 15, 16, 18, 21, 22, 23, 28, 31, 35, 36, 40, 42, 44). This section further adds to the explanation of the obstacles of innovations and reforms within the HE system by presenting findings of how education leaders perceive this resistance to change.

In general, interview participants find resistance to change strongly pronounced both at institutional and national level. On the contrary, only one of the interviewees shared that they have never observed resistance to any form of change (i.e. reforms, innovations) in their university as well as among their colleagues:

*“Well, from what I hear from my colleagues, everyone wants this university to develop. This is especially valid for the ones among my colleagues, who have a lot of work experience at this institution, and consider it as part of their lives. I have never had a feeling*

*that anybody from my colleagues resist change and does not want to develop”* – (Interview 10: academic, public university, applied sciences).

Talking about resistance to changes (including innovations and reforms), an interviewee indicated that it covers not only individuals or institutions but even the entire environment:

*“This university has always been initiative for reforms some of which are even radical such as establishing a new design of the whole higher education system. Well, this has led us to conflicts with other HEIs, which does not want reforms of any kind to be introduced”* – (Interview 16: university rector, public university).

What strengthens the validations of the above statement is that the source is a university rector, who participate on the regular rectors’ councils where all the significant system issues are discussed between all rectors of universities and representatives of the government in the state (Interview 17: university rector, public university). Consequently, this extends their outlook from institutional to system. Further narratives support both directly and indirectly the idea that generally the HE system in Bulgaria is very resistant. In this line of thought, an expert in innovations and HE explains that the hands of the government are tied, because of the very strong resistance among academics:

*“Bear in mind, that the hands of the government are tied, because of the strong resistance of the academic community towards changes and reforms. They are happy with the high number of HEIs, because each of them wants to continue to manage their institution. By the way, the same is valid for the Bulgarian Academy of Science, which is constantly complaining because of the extreme poor conditions and low academic salaries, but at the same time does not wish to make any serious restructuring and optimization”* – (Interview 40, expert in innovations and higher education).

The extract indicates that the idea of change and reforms, especially the ones that involve optimisation is unwelcome among academic community, as it implies job losses. In addition, as was suggested, above, by one interviewee– implementing such reforms would cause uprising in the cities in which these institutions are placed, as the local economy fully relies on them. This is similar to what a faculty dean suggested that reforms and re-design will cause ‘social buffers’ (Interview 4: faculty dean, public university, law sciences). This participant displayed consideration of variety of stakeholder groups, who will surely demonstrate high level of resistance. This participant demonstrated a sense of the whole rather than fragmented approach in the way they look at the problem.

### *Innovations in the Higher education system*

What emerged strongly from the data was that the interview participants were either convinced of the significant importance of innovations in the HE sector (Interviews: 1, 2, 44, 11, 15, 18, 19, 24, 29, 32, 37, 38, 41, 46, 9, 21, 24, 36), or absolutely sceptical about both the success of their implementation and the outcomes that they would bring (Interviews: 10, 20, 16, 34, 39, 43, 25, 26, 28, 5, 33, 34, 4, 40, 45 ). The scepticism of some of the interview participants is based on their previous experience and observations of reforms and innovations. Moreover, the interview participants who demonstrated rather reserved positions toward innovations and strategic reforms were dominated by the feeling that the term ‘innovation’ is simply commercial.

Starting with the first group of participants, who are supporters of innovations, it is evident that they are not really aware of how innovations can be implemented in higher education.

For the most of them, innovations are mainly technological with a strong emphasis on the applied sciences. There is a prevailing sense that innovations cannot be implemented in every context, culture or area of knowledge:

*“Innovations occur, but they are not applicable in all areas of knowledge. Well, it firstly depends on what we understand by innovation. If innovation is seen as the usage of the experience and knowledge of the leading ones – it is not applicable in all areas. If innovation is perceived as the achievement of the various sciences – this is undeniable. However, such achievement is unquestionable only in the case of the exact and applied sciences. When it comes to the humanitarian sciences, it is very controversial ‘where innovation is?’  
(..)Moreover, it is very relative what innovation can be successfully applied in China, in India, in the United States or in England. Well, same innovations can be successfully applied in US, Canada and UK, because of the similar culture that they share” – (Interview 11: academic, hard disciplines, public university).*

Controversially, another interviewee associated innovation in the HE system with transforming it in a way to match EU requirements by specifically stressing graduate employability:

*“Innovation accompanies every process of development. Higher education cannot be lagging behind modern trends in the educational sphere, especially since it became a member of the EU as it obligates our HE system to generate graduates that are employable worldwide. Moreover, HE systems of the member countries have to contribute to the development of the European Union's economy” – (Interview 1: faculty dean, public university, soft sciences).*

Talking about the ‘pressure’ of the Bulgarian HE system to be re-designed in a such way to match EU standards and values opened a discussion about whether this is actually possible. A policy maker and expert completely rejected such possibility in a very direct and emotional manner:

*“This is a big ‘blah blah’. It’s absolutely impossible. This is complete bullshit. Excuse me for my directness in speech” – (Interview 43: policy maker/expert, public sector).*

Furthermore, this participant explained:

*“It is not a coincidence that the research-type universities that are typical for the Anglo-Saxon world are closely related to the sixth technical revolution. In fact, the Anglo-Saxon world generates this revolution to some extent, as there it can be seen a narrow productivity between the innovative business and the universities that contribute by providing fundamental and applied knowledge. Furthermore, the innovations generated by the universities in the Anglo-Saxon world can be immediately used and integrated in their economy. The creation of innovation is very profitable in the Anglo-Saxon world, so it compensates the unsuccessful trials for innovation. Do you know that in principle only 1 out of 1000 trials of innovations is successful, but you have to be able to provide funding for all the 1000 trials? This is only possible if the effect of one single innovation is of such added value that can compensate all the 1000 trials for innovation. This is why there is a connection between business and an innovative business that is interested in generating innovation as this will bring more profits” - (Interview 43: policy maker/expert, public sector).*

The above extract cut on the inequality caused by globalisation, which is beneficial for the developed economies as they are able to absorb innovations quickly, and the business that invest in these innovations is able to make huge profits from them. The above finding confirms that globalisation has a huge impact on the dynamics in HE (Popescu, 2015), and that developed and developing countries have a different capacity to handle these challenges (Ims and Zsolnai, 2014). This finding is also strengthened by the confession of a university rector:

*“If we are talking about innovations in the economy that are generated at the universities – this is very tough because such innovations occur in partnership between universities and business. It is valid for both cases: a) when business contact us because it needs innovations; or b) when we create innovations and contact business to sell them. Whatever is the case, it is very difficult for the HEIs in Bulgaria to establish a collaboration with business, as the business in Bulgaria is predominantly small and medium sized that has little interest in innovation. In contrast, big sized business is rarity in this country. The big sized business in Bulgaria is mainly composed of international companies, which have research centres positioned abroad. So, this is a great obstacle”* - (Interview 16: university rector, public university).

A faculty dean in a public university made an interesting point by suggesting that innovations in non-production spheres, like education in the case of the developing countries in the EU, are stimulated by EU funded projects. This is done to compensate the developing countries as they do not have equal chances to compete with the developed ones. However, this makes developing countries like Bulgaria firstly very dependent on the funding of specific projects, which offer funding for limited periods of time, and secondly does not build competitive skills (Interview 19: faculty dean, public university, soft disciplines).

In addition, the fact that innovations in education can barely be supplied with financial resource at national level makes such projects unsustainable. This explains that attempts for innovation in HE are either absent, or temporary – which speaks of lack of sustainability at national level. This is due to the fact that the national economy is undeveloped and the presence of big-sized business consists mainly of global international companies, which have their own research centres abroad. Therefore, innovation projects that receive EU funding are hard to be sustained through national funding. However, the lack of enough funding for education is not only due to the lack of financial resources, but also, as suggested by number of interviewees, is a matter of a national priority:

*“Unfortunately, education is the last concern of the government”* - (Interview 2: faculty dean, public university, hard sciences).

This is also evident from the fact that innovation projects funded with EU finances are not sustained through national funding which, suggests that innovations are not a priority of the country. According to a former minister of education, this is very wrong as:

*‘the research process is more important than the knowledge’* (Interview 36: former minister of Education and Science/Expert/Policy maker).

This is mainly valid for the HE institutions, which are fundamental generators of knowledge and economy drivers of every nation (Bejinaru, 2017). In this respect, a head of department claims that HE systems need innovations to generate new educational product (Interview 42: head of department, public university, soft sciences). However, two interview

participants in top management positions (vice-rectors) argue that innovations and reforms must not be perceived as luxuries but as necessities instead, if HEIs are to survive (Interviews: 6 and 44):

*“Universities must be constantly changing and updating if they want to survive. They have to constantly renew their teaching programs, courses design, curriculums and methods”* – (Interview 6: vice-rector, public university, soft sciences).

Data findings further supports the idea that innovations and reforms are essential not only for the enhancement of organisations, systems and states but also for their surviving as they involve adaptation to the external conditions (Cefis and Marsili, 2018). This, however, is recognised by almost half of the interview participants 47% of the interview participants that answer this question supported innovations and strategic reforms (Interviews: 2, 44, 11, 15, 18, 19, 24, 29, 32, 37, 38, 41, 46, 9, 24, 36). The percentages of the participant who were either neutral 21% (Interviews: 1, 3, 16, 21, 31, 33, 34), or reserved toward innovations 29% (Interviews: 10, 20, 39, 43, 25, 26, 28, 5, 40, 45) were almost equal. The most interesting was the response of the participant of interview 4, who shared that they are even unfamiliar with the term innovation (Interview 4). See graph 1.

A faculty dean in a public university located outside the capital Sofia, confessed that he is not aware with the meaning of the term ‘innovation’ and needs to google it. According to him education rejects any sudden movement, which means that innovations can only complement a reasonable conservatism. Moreover, this faculty dean states also that innovations are not of a concern of small universities or universities, where finances are lacking even for the necessities. This participant compared the term ‘innovation’ with ‘solar eclipse’. He assumes that somewhere innovations are happening but in the context of his university and the majority of the universities in Bulgaria this term sounds like ‘solar eclipse’ - something that we are aware of, but it is very distant from us – (Interview 4: faculty dean, public university, soft sciences). The opinion of this interviewee corresponds with what was previously discussed about the inability to focus and think about innovation when financial resources for the necessities were lacking. In addition, this view was also endorsed by academic in other public university, who argued:

*“I think that most of the people do not know what innovation is”* – (Interview 39: academic, public university, soft sciences).

At the same time, views demonstrating unbelief toward the possibility of innovations in HE system were put down to: by lack of expert capacity (Interview 28); outcomes of innovations (Interviews: 33, 34, 43); lack of solid fundament (Interview 39); broken link between HEIs and industry (Interview 40); lac of national organisation and strategy (Interviews: 40, 45). As already stated, academics in a public university argued that the lack of expert and administrative capacity makes them reserved about the success of projects or reforms that are related to innovation. Moreover, they shared that there is a political will and policies in favour of innovations, but the administrative and expert capacity of the government is very low:

*“On one hand, there is political will. On the other hand, there are problems with the administrative capacity at national level. Hence, innovation projects cannot be funded when administrative capacity lacks which will cost the Bulgarian government loss of finances. If we look at the situation at national level, we will see that it is a vicious circle, because in order innovations to be implemented or generated there must be finances. The finances are there, but there is no administrative capacity in both parties – the provider of financed and the implementors of projects related to innovations in education. I am talking about big innovation projects”* – (Interview 28: academics, public university, soft sciences).

This once again speaks of a system problem. As mentioned earlier, a number of participants demonstrated quite reserved position toward the outcomes of innovations in HE (Interviews: 33, 34, 43). An academic in a public university argued that innovations are not the solution to every problem and must not be an end in itself:

*“Reviewing innovation, we cannot deny the technological and methodological achievement (i.e. learning outcomes and all new forms of education, methods, forms, technologies that support education. In any case, this is good. However, this does not mean that innovation is panacea (the solution to any problem) – no way. Do you know what is interesting? Sometimes, the drive for innovative approaches is stronger than the pursuit of the goal of education. Then the golden thread that needs to be followed is lost. So, innovation is something of a great importance, but we have to consider and apply them only when they help us to achieve the goals of education or training – (Interview 33: academic, public university, hard sciences).*

An expert and policy maker also partly challenged organisational learning theories which promote changing through innovations and learning as an ultimate solution for dealing with the growing uncertainty (Einsberg, Ignatjeva, and Ilisko, 2018). By partly challenging, it is meant that this individual did not challenge the benefits of learning in themselves, but the idea that every problem has a solution:

*‘the belief that there is a solution to every problem is a part of the infantile modern thinking’ - (Interview 43: expert, policy maker, public sector).*

Moreover, the interviewee also adds that currently innovation has become an obsession worldwide including in Bulgaria (Interview 43: expert, policy maker, public sector). The paradox is that the obsession is in the pursuit of innovation as an end in itself. The probable benefits and outcomes of innovations such as solving social or business complex problems are not of an importance. Furthermore, the data suggests that participants are not even convinced by the idea that innovative solutions are better just because they offer novel solutions. An example was given of distance learning, by an academic in a public university, who claims that although this is an innovative form of education – it is semi-education. Semi-education means that the quality of distance learning is much lower compared to the classic education (Interview 34: academic, public university, soft sciences).

Another participant explained their reserved position by the lack of a solid base on which these innovations and strategic reforms can build, which shows that they do not perceive them as solutions that can fundamentally transform the system (Interview 39: academic, public university, soft sciences). Moreover, some interview participants demonstrated scepticism about the adaptation of innovations and reforms imported by the EU as this is not going to solve the problem fundamentally (Interview 45: academics, public university, hard sciences). In other words, although it was not said directly, they perceive it as a fragmented approach, which does not re-design the system but rather shores up the system instead. Likewise, a policy maker/expert doubts that innovations can be effectively integrated into the present design of the HE system, and that society in Bulgaria does not need them:

*“I am a supporter of the idea that changes have to be promoted cautiously. When it comes to innovations, I associate them with a knife. You can cut a bread with a knife, but you can also kill someone with a knife. Reflection on innovations in higher education, the right question is: ‘What education?’, ‘What society?’ and ‘For what purposes?’. Because I constantly repeat that the Bulgarian higher education and education system in its present form– does not need innovation. This is not because the system is good or bad, it’s just its*

*design, and the type of the society. I know that it will sound ridiculous, but the Bulgarian society does not need innovation” – (Interview 43: policy maker/expert, public sector).*

This also indirectly speaks of fragmentation, which makes the academics in the HE system in Bulgaria reserved and resistant to the innovations and reforms. However, there were interviewees who consider organisational innovations of a great importance to change the model and the design of the HE system:

*“Of course, if we discuss innovations in higher education - we have to start with organisational innovations as they are the ones that modify the system model. Furthermore, the link between transfer of technology and knowledge is completely broken, which is actually the link between university and industry. Innovations and entrepreneurship universities do not exist in Bulgaria, because the government and the HEIs do not have an official policy related to innovations. Innovations in Bulgaria are on paper only. I am stating this as a member of innovation committees”- (Interview 40: expert in innovation and higher education, both sectors).*

Tables 1 and 2 below summarise the data findings and in particular the drivers and barriers to the process of change and transformation, faced by the Bulgarian Higher Education. Although, some of these findings are exclusively valid for the Bulgarian context, some of them are valid for the Eastern European Context, and this of other developing countries.

*Insert Tables 1 & 2 About Here*

## **Discussion**

This paper is inductive in nature, and is led by two research questions: 1. What are the enablers of innovations and reforms for the HE sector and how do they help organisational learning? 2. What are the barriers that might hinder such developments? The paper was theoretically driven by the concepts of ‘social innovation’ and ‘learning organisation’, and contextually by the HE systems in the developing countries, with a specific focus on more complex forms of innovation. It can be seen in the literature that innovation and organisational theories are overlapping, as at organisational level these more advanced forms of innovation are dynamic and shaped by both external and internal factors (Rasiah, 2017). According to our study, there is a mismatch between the developed and the developing academic systems in their capacity to change and transform. Developing countries have stronger need of transformation and change, but a lower capacity to achieve it, which adds up to Ims and Zsolnai (2014).

Starting from the first research question related to the drivers of innovations and reforms in the HE sector, we identified three dimensions of drivers: individual, organisational and system. At individual level, the analysis show that ‘openness for change’ and ‘strive for personal development’ are the main drivers of innovation and learning, which builds on Lin and Sanders (2017)’s work. Our results suggest that what enable reforms and innovations at individual level is the willingness of individuals to learn, change and develop plus competitiveness and motivational stimuli. At organisational level, data findings suggest that transformation of HEIs into business and learning organisations will enable innovation and reforms, as this transformation is associated with collaboration, enterprising and constant change and update. This is also indicated in the literature by Albach (2015:2), who suggest that that we are in the ‘midst of a true revolution in higher education’, which involves

profound changes of our primary understanding of the role of the higher education institutions. Furthermore, Sitar and Skerlavaj (2018) stress on the importance of collaborations and proactiveness of HEIs. These findings also support previous literature on organisational learning according to which HE institutions will benefit highly if they become learning organisations (Jorgensen, 2018). Last but not least, re-design of the system and creation of vision and national policy are proved by the data findings and analysis to be the main drivers of reforms and innovation at system level. Wiek et al. (2015) indicated this by highlighting the importance of future and strategic thinking as elements of vision creation.

Continuing with the answering of the second research question related to the barriers to innovations and reforms at all three levels: individual, organisational and system. We identified that individual barriers are related to the individual ‘unwillingness to learn’ and the ‘lack of shared vision’, which are also associated with ‘organisational learning’ (Serrat, 2017). Surprisingly, the barriers to the organisational level that have been identified are not related to the organisational learning. They refer to the influence of globalisation (Popescu, 2015) and inequality (Pucciarelli and Kaplan, 2016) on the HE sector instead. Last but not least, system barriers are mixed in their theoretical linkage. The first category ‘lack of system vision and national policy’ is related to organisational learning (Berson, Da’as and Waldman, 2015), while the second category of ‘social buffers’ (Pelling, O’Brien and Matyas, 2015). What is interesting to be noted is that although the barriers from all three categories (individual, organisational and system) differ in their nature and theoretical explanation – they all are associated with high level of resistance to change. However, this is not untypical for HE organisations (Griffin and Moorhead, 2014).

### **Theoretical contribution**

Data findings and analysis of this study contributes to the motivational and organisational learning theories, which explain why certain individuals, groups and organisations are more or less likely to learn (Chadwick & Raver, 2015). This study also supports previous literature on organisational learning according to which HE institutions will benefit highly if they become learning organisations (Jorgensen, 2018). In addition, this paper contributes to the existing knowledge of social innovation (Nicolás and Harrison, 2018; Ims ad Zsolnai, 2014), which is not surprising as organisational learning and social innovation theories are overlapping (Rasiah, 2017). We presume that our findings may be indicative for the wider Eastern Europe countries sharing similar political, economic and cultural contexts. Moreover, we expect the conceptual contribution to be valid beyond the HE sector.

### **Managerial implications**

The practical importance of this research is to offer insights for universities, policy makers and decision makers in relation to what blocks or drives innovations and strategic reforms. The study demonstrated that the biggest blockage from managerial perspective is the lack of vision and national policy. At the same time, the biggest driver for innovation at system level will be the re-design of HE system, while at university level is their transformation into learning organisations.

### **Limitations and future research agenda**

This study fills the gap in the literature on social innovation by providing qualitative empirical research, which is deficiency as most of the studies that examine social innovation

are mainly review or conceptual (Herrera, 2016). However, this paper uses single-case study approach, which limits us to compare and contrast with other Eastern European and developing countries. Research efforts are still needed in this field, as social innovation theory suffers from mis-measurement, as most of the studies examining social innovation are predominantly conceptual and review (Windrum et al., 2016). The context of developing countries is understudied, and as Ims and Zsolnai (2014) argue there is lack of empirical evidence proving that outcomes of social innovation are as beneficial for them as they are for the developed ones. Further research efforts need to be made in this area.

## Conclusions

This paper extends the knowledge on social innovation and organisational learning by conceptualizing both the favourable and unfavourable factors that influence them through multi-level analysis of the HE system (individual, organisational and system levels). Based on deep analysis of triangulated data collected from 46 in-depth interviews of policymakers/experts (including a former minister of Education and Science), leaders of, educators, and top and middle university management, we identified both the drivers and barriers to organisational learning and social innovation. According to Herrera (2016) this is how a quality research on social innovation should be done. We answered the following research questions: first, what are the enablers of innovations and reforms for the HE sector and how do they help organisational learning? Second, what are the barriers that might hinder such developments? Findings show that barriers at individual level are associated with the unwillingness of individuals to learn, at organisational level with the broken links with the industry and inequality compared to the developed HEIs, and at system level with the lack of vision and national policy. When it comes to the drivers, at individual level they are related with the openness to learn and change, at organisational level with the transformation of HEIs into business and learning organisations; and at system level with the creation of shared vision.

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**Table 1: Classification of barriers for reforms and innovations**

<b>Clusters</b>	<b>Categories of barriers</b>	<b>Related subcategories of barriers</b>
Individual barriers	Lack of shared vision	<ul style="list-style-type: none"><li>• Not convinced of how reforms and innovations will benefit them</li><li>• Cultural/context concerns</li><li>• Unwillingness to be implemented strategic reforms and optimization</li></ul>
	Unwillingness to learn	<ul style="list-style-type: none"><li>• Strong resistance to change</li><li>• Lack of strive for development</li><li>• Conservativeness and rigidity</li></ul>
Organisational barriers	Inequality	<ul style="list-style-type: none"><li>• Low administrative capacity</li><li>• Lack of financial resources and sustainable funding</li><li>• Lack of capacity (both human and financial) to compete with HEIs from the developed countries</li></ul>
	Broken links with industry and other external bodies	<ul style="list-style-type: none"><li>• Lack of collaborations with industry</li><li>• Undeveloped economy that does not need innovations</li></ul>

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System barriers	Lack of system vision and national policy	<ul style="list-style-type: none"> <li>• Big companies have own research centers abroad</li> <li>• Not a priority of the government</li> <li>• Fragmentated approach</li> <li>• Lack of solid fundament</li> <li>• Lack of national administrative capacity</li> </ul>
	Social buffers	<ul style="list-style-type: none"> <li>• Government's hands tied</li> <li>• Resistance to changes by variety of stakeholders</li> <li>• Threat of uprising if the number of HEIs is optimized</li> <li>• Strong resistance to change among the academic communities</li> </ul>

**Table 2: Classification of drivers for reforms and innovations**

Clusters	Categories of drivers	Related Sub-categories of drivers
Individual drivers	Strive for personal development	<ul style="list-style-type: none"> <li>• Orientation toward the process of learning than just the knowledge itself</li> <li>• Willingness to learn</li> <li>• Motivation</li> <li>• Competitiveness</li> </ul>
	Openness for change	<ul style="list-style-type: none"> <li>• Having hand in the process of change</li> <li>• Shared vision</li> </ul>

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Organisational drivers

Transform into business organisations

- Seeking alternative sources of funding
- Enterprising
- Enhance graduate employability

Transform into learning organisations

- External collaborations
- Interactions
- Constant change and update

System drivers

Re-design of the system

- Building of solid foundation
- Implementing strategic reforms
- Optimizing the system

Create a vision and national policy

- Gradual changes
  - Big picture orientation
  - Education to be a national priority
-

