

# MUNICIPAL AND UNIVERSITY SOCIAL PARTNERSHIP IN LATVIA: PROBLEMS, CHALLENGES

**Baiba Rivza**

Latvian Academy of Sciences, Latvia Akadēmijas laukums 1, Rīga, LV-1050

**Veronika Bikse**

University of Liepaja, Lielā iela 14, LV-3401, Latvia

## ABSTRACT

The key tasks of higher education is to provide a study process of high quality to prepare professionals according to the market requirements and to create new knowledge and transfer it to the national economy to foster the development of society. Higher education institutions can fulfil these requirements only in cooperation with various other institutions. Nowadays, the further development of this cooperation requires viewing it in a broader sense – in the aspect of partnership. The paper mainly examines social partnerships between local governments and higher educational institutions to contribute to tackling common problems and reconciling interests, which is a significant precondition for regional development. In Latvia, social partnership is at the early stage of development. The overall aim of the paper is to examine theoretical findings and, based on them, to identify the views and recommendations of local governments regarding balancing the performance of regional higher education institutions (HEI) and the needs of society. The first part of the paper reviews the theoretical aspects of social partnership and analyses the possibilities to use social partnerships in regions. The second part focuses on the present situation in the regions and describes best practices of social partnership and the development trends in social partnership in Latvia's regions.

**The key words:** cooperation, partnership, local governments, higher education institutions, alumni

## Introduction

The key tasks of higher education is to provide a study process of high quality to prepare professionals according to the market requirements and to create new knowledge and transfer it to the national economy to foster the development of society. Higher education institutions can fulfil these requirements only in cooperation with various other institutions. Nowadays, the further development of this cooperation requires viewing it in a broader sense – in the aspect of partnership. The scientific literature focuses on three main types of partnership: partnership in business (Teague, 2005; Kolk, 2007), partnership for territorial development (Moseley, 2003), and social partnership (Social partnership, 2004; Walsh, 2004; Ozola, 2007). The paper mainly focuses on social partnership between local governments and higher education institutions in order to contribute to tackling common problems and reconcile interests, which is a significant precondition for the development of a region.

The need for social partnerships is observed in the regions to tackle the problems of employment, poverty, and social exclusion, the issues essential for the development of territories, and the establishment of cultural and interest centres, as well as to increase the participation of the public.

In Latvia, social partnership is at the early stage of development. It is usually fragmentary implemented in the form of social dialogue or short forums, as well as several projects of long-term effects have been recently implemented (Ozola, 2010).

The overall *aim* of the paper is to examine the theoretical findings of partnership and, based on them, to identify the opinions of local authorities and to produce recommendations on how to balance the performance of higher education institutions with the society's needs.

The paper is structured in two parts. The first part of the paper reviews the theoretical aspects of social partnership and analyses the possibilities to use social partnerships in the regions. The second part focuses on the present situation in the regions and describes best practices of social partnership and the development trends in social partnership in Latvia's regions.

### **Theoretical aspects of social partnership**

Nowadays, the concepts *social dialogue* and *social partnership* have become a significant and integral part of many government policy documents. More and more countries amend their legal acts so that cooperation and networking solutions obtain their legal framework and ensure the development of their territories (OECD LEED, 2009b). The gains from social partnership, engaging stakeholders from public administration, business, civic society, education, and science to tackle the issues essential for developing the territories of regions or municipalities in various areas: employment, poverty and social exclusion, education, establishment of cultural and interest centres, as well as increase of public participation in state administration, are especially stressed.

From the theoretical perspective, it is important to identify what the concept *social partnership* means. Several approaches to explaining the concept social partnership may be found in the special literature. Some stakeholders prefer the traditional approach to cooperation, namely, they represent a bilateral or trilateral social dialogue whose participants, traditionally, are representatives of employer and employee organisations, with government representatives participating (Egle, Karnīte, 2008). A characteristic feature of such a partnership is an extended trilateral dialogue. The ILO report *Key Features of Social Dialogue: A Social Dialogue Resource Book* (ILO, 2006) describes the representation of social dialogue: employers, trade unions, and government representatives and a range of problems to be tackled. This representation is possible through implementing three kinds of dialogue: bilateral, trilateral, and "trilateral plus". Yet, the range of problems that may be tackled in a trilateral social dialogue is not limited.

The other approach mainly refers to studies performed by international institutions, in which social partnership is viewed from the macroeconomic aspect, including the region level as well (OECD and European Council studies). In these studies, the concept of social partnership is used much broader than a bilateral or trilateral dialogue, as it is extended through engaging a broader public. In addition to employer and employee representatives, nongovernmental organisations (NGOs), the education and science sector, and local communities are also engaged to implement practical cooperation and contribute to tackling various social problems. For instance, I. Turok writes that "partnership is an agreement of two or more partners to cooperate in the interest of a common goal and bear common responsibility for the outcome" (Turok, 2008). V.Meņšikovs argues that "social partnership is a constructive interaction of all the parties (implementation of common programmes, conceptions, and action plans) while tackling common social problems, which is beneficial to all the parties engaged and the society as a whole" (Meņšikovs, 2007). In our opinion, social partnership involves constructive and co-responsible actions in tackling common social problems and reconciling the interests that are relevant to all stakeholders and the society as a whole".

It has to be noted that even though there are different approaches to explaining the concept of social partnership, they focus on a single goal – improving governance, so that the society as a whole tackles the problems that relate to its needs. By means of partnership, a civic society, its NGOs, businessmen, and various government levels work together to design

a development strategy for a certain territory, adapt national policies to the local conditions, and start initiatives that correspond to the jointly defined priority areas (OECD, 2001a).

Some authors argue that “partnership is not cooperation. Partnership differs from cooperation by the fact that all system elements involve not only a common goal but also part of responsibility for implementing the common goal” (Meņšikovs, 2007). However, from the theoretical aspect, it is useful to identify characteristics of the concepts social dialogue and social partnership. The characteristics are presented in Table 1.

**Table 1. Comparison of social dialogue and social partnership (Ozola, 2010)**

<b>Social dialogue</b>	<b>Social partnership</b>
<p><b>Participants of trilateral social dialogue:</b></p> <ol style="list-style-type: none"> <li>1. employers (and often trade chambers as well)</li> <li>2. employees</li> <li>3. public administration</li> </ol>	<p><b>Participants of social partnership:</b></p> <ol style="list-style-type: none"> <li>1. employers</li> <li>2. employees</li> <li>3. public administration</li> <li>4. nongovernmental sector</li> <li>5. representatives of the education and science sector</li> <li>6. local communities local authorities</li> </ol>
<p><b>Topics:</b> initially – employment policy issues, presently – reduction of macroeconomic instability</p>	<p><b>Topics:</b> a broad range of social wellbeing problems, incl. employment, education, tax policy, wage increases, social security, economic development of territories, etc.</p>
<p><b>Forms:</b></p> <ol style="list-style-type: none"> <li>1. the most explicit one – trilateral cooperation councils and agreements</li> <li>2. bilateral employer and employee dialogues within the employment policy</li> </ol>	<p><b>Forms:</b></p> <ol style="list-style-type: none"> <li>1. social partnership agreements or social pacts, especially at the national level</li> <li>2. cooperation in implementing certain projects/achieving certain goals in a particular region/municipality (for instance, the <i>Regional Development Forum</i> in Denmark or <i>Job-shops</i> in the Netherlands)</li> </ol>
<p><b>Scale:</b> national, regional, relatively recently – municipalities</p>	<p><b>Scale:</b></p> <ol style="list-style-type: none"> <li>1. the most explicit example of national scale is Ireland’s Social Partnership’s agreement since 1987; presently it is the seventh agreement period lasting until 2016</li> <li>2. it is explicitly used in local development solutions, i.e. at the municipal and regional levels (<i>local partnership</i> or <i>place-based partnership</i>)</li> </ol>

Presently, the role and influence of social partnership increase in particular in designing and introducing local and regional plans and projects. The term *local partnership*, which is derived from social partnership practices, is increasingly used. A PRIDE’s study on

social partnership in eight European countries describes the key problems and areas that have to be tackled when implementing social partnership (Moseley, 2003). They are as follows:

- to create and maintain employment opportunities,
- to initiate and introduce development strategies,
- to promote/consolidate cultural/territorial identities,
- to foster integrated and sustainable rural development,
- to raise the standard of living in the region; to promote and market local products,
- to promote training and education.

This research also defines the key preconditions for the effectiveness of partnership. They are as follows:

- flexible management framework,
- institutional trust and commitment,
- social partners' understanding of local responsibility,
- mobilisation,
- legitimacy,
- administrative efficiency.

On the whole, one can conclude that a social partnership, using the knowledge of various partners about local problems and target groups, contributes to the implementation of programmes and activities that correspond to common interests as well as local needs and conditions. Thus, synergies between governmental programmes and local initiatives emerge, which can enhance their mutual influence. Partnerships do not incur costs: they are a kind of work or an instrument that can be exploited by various partners to raise their efficiency and performance (OECD, 2001a).

### **Cooperation of local governments and higher education institutions in the context of social partnership**

Social partnerships started emerging in Latvia a long time ago. Initially in 1998, the National Trilateral Cooperation Council (NTCC) was established in Latvia, which included government institutions, employers, and employees (trade unions). Such problems as employment, social inclusion, and education are too complicated to be effectively tackled only within social dialogues. Therefore, the Council was later expanded, and presently the NTCC includes seven sub-councils, including the sub-councils for education, employment, and regional development.

To jointly address unemployment and employment problems at the regional level, 28 consultative councils were established in 2004, in which affiliates of the State Employment Agency, local authorities, municipal social services, trade unions, employer organisations, educational institutions, local organisations of the disabled, or other nongovernmental organisations were engaged.

One of the areas in which social partnership may be implemented in the regions is employment and education, which is a significant precondition for the competitiveness of territories. In particular, social partnership projects were often started under the conditions of high unemployment; their objectives were to create new jobs, foster the development of self-employment and micro (small) enterprises, develop workforce skills or retrain employees. This is an area in which both public administration and the private and nongovernmental sectors are most interested and in which cooperation projects that make a long-term positive effect on the development of a local territory have to be implemented.

Higher education is one of the most important factors affecting the growth of the national economy. In particular, it determines the need to promote social partnerships and engage social partners to a greater extent in order to tackle the urgent problems of a particular territory in relation to education and employment problems. Such cooperation has been started

and its prospects are good. Especially, this is because there is a gap between the labour market demand and the possibilities of higher education to supply qualified specialists of broad profile. In this respect, it is important to design cooperation programmes within the context of developing a local territory and businesses by engaging local governments, businessmen, higher education institutions, and other social partners. They should take part in designing and improving education standards and study programmes, provide practical training placements for students and the quality fulfilment of practical training programmes, and create training possibilities for academics at enterprises, so that they are better informed about the newest trends in technologies, and in cooperation with supportive institutions they have to work on the descriptions of professional qualifications and the tests of results.

To assess various ways of cooperation between higher education institutions and local governments, the Latvian Higher Education Council, within an EUF project, conducted a survey of Latvia's local authorities in 2012. The data obtained were compared with the assessment of the present situation and development opportunities regarding social partnerships in the regions by businessmen and the self-employed who were alumni of universities.

### **The research methodology**

An examination of special literature and research papers and an analysis of a survey of local governments and alumni were carried out within the present research. To assess various kinds of cooperation of HEI and local governments, totally 89 Latvia's local governments were invited to participate in the survey. Replies were received from 57 local governments, which accounted for 64% of all the municipalities involved in the survey. Given the fact that the majority of surveyed Latvian local governments responded, the data obtained in the mentioned survey may be regarded as credible and reflect the opinion of the majority of Latvia's local authorities.

To indicate how recent graduates – employers and self-employed individuals have evaluated their cooperation with HEI and the future plans of alumni in this field a survey was undertaken in all Latvian universities and an analysis of the results has been prepared. The survey was performed during the period November – December 2011, and 450 graduates (from the years 2006 – 2011) representing all Latvian universities were surveyed via the Internet (WAPI). The survey was realised/undertaken and the data processed by the SIA Marketing and Public Opinion Research Centre (SKDS Ltd) within the framework of the project “Universities Investments in the Latvian Economy” (UILE). (Project...,2011)

### **Research Findings**

The survey's aim was to obtain information on cooperation between Latvia's local authorities and higher education institutions (HEI) and on labour market changes in local areas as well as to identify the opinions of local governments about the necessity of the regional HEIs and their affiliates, the quality and improvement of studies, and the cooperation enhancement opportunities in the context of social partnership.

In the questionnaires about cooperation between higher education institutions and local authorities sent in the region, the local governments were given the opportunity to evaluate a variety of kinds of cooperation between the HEIs and the local authorities. The local authorities assessed each of the kinds of cooperation, mentioned in the questionnaire, based on cooperation intensity. In case the kind of cooperation was intensive, the questionnaire was assessed as “Yes” (the letter “J” in the inserted figure 1). If the kind of cooperation was not regular, it was assessed as “Sometimes” (the letter “D” in the figure 1), and no cooperation was assessed as “No” (the letter “N” in the figure 1).

According to the survey, cooperation between the local authorities and the HEIs in the aspect of social partnership in Latvia is mainly implemented in the form of long-term

agreements aimed to achieve common goals. However, regular long-term partnerships were observed only in a few municipalities; these were mainly municipalities with a large population and a sufficiently high economic activity level. For instance, in Zemgale region, in which the majority of local authorities (73% of the total number of local governments in the region) were surveyed, only 3 authorities noted that their social partnership was regular, 5 believed that it was irregular, while almost half of the surveyed local governments stated that no social partnership was implemented.

The survey findings are summarised in Fig.1.

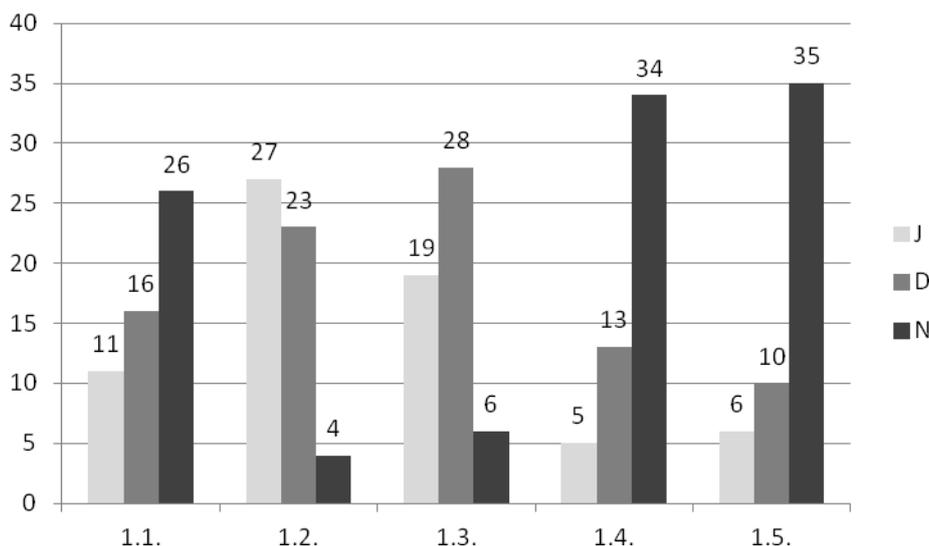


Fig.1. Local governments' assessment of their cooperation with HEIs

The data of Fig.1 allows us to conclude:

*First*, 27 local governments argued that their key kind of cooperation with HEIs was practical training placements for students (see 1.2. on the horizontal axis in Fig.1),

*Second*, 28 local governments noted that cooperation within career education programmes was implemented episodically, namely, it involved regular visits of academics of universities and colleges to secondary and professional education institutions to familiarise students with a university or a college (see 1.3. on the horizontal axis in Fig.1),

*Third*, 35 local governments stated that cooperation was not implemented in terms of granting scholarships to young individuals whose residence place was declared in the municipality (see 1.5. on the horizontal axis in Fig.1) and in terms of holding joint cultural and sport activities – 34 local governments pointed to it (see 1.4. on the horizontal axis in Fig.1), as well as in terms of concluding and implementing joint cooperation agreements (see 1.1. on the horizontal axis in Fig.1).

The tackling of such common problems as raising the quality of studies, adapting study programmes to the needs of regions (municipalities), transferring new knowledge and technologies to the national economy, developing the professional competences of academic staffs, exploiting their intellectual capacity in tackling urgent social problems, producing municipal development documents, etc. is implemented episodically or very rarely.

Similar assessments were given by 450 alumni (new employers and the self-employed) of Latvia's universities who were surveyed in 2011. When describing their enterprise's cooperation with universities in detail, the alumni (employers) most often mentioned that their enterprise:

- provided *practical training placements* for students – totally 29% of the businessmen said that they did it “very often”, “often”, or “regularly”,
- the second most often mentioned kind of cooperation with universities was *continuing education*, in which 26% of the businessmen were engaged often or regularly,

- the third one – *attraction* of new professionals from universities (25%),
- the fourth one – *knowledge transfer, innovation* (24%). Yet, it has to be noted that the majority of the respondents said that in such a way their enterprise cooperated with universities rarely (23% - 26%) or never (39% - 44%).

Besides, the majority of the respondents pointed out that their enterprise had *never participated in the study process* (55%), *financed research*, participated in research projects (60%), participated in university *Career Days* activities (64%), or paid *scholarships* and never had been engaged in patronage (70%).

The new businessmen, i.e. 67% of the respondents in this group, pointed out that they *wished to continue cooperation* with universities. When asked to name the ways how they wished to do it, the respondents most often said that they were ready to *provide training placements* (18% of those who were engaged in business), deliver courses, become a guest lecturer (17%), or continue their own studies, i.e. *education* (16%). Other kinds of cooperation were rarely named – 9% wished to exchange experiences and knowledge, 8% of the respondents were ready to engage in implementing research projects, 8% wished to recruit employees from among students, as well as other kinds of cooperation were mentioned. The other cooperation opportunities were mentioned by less than 5% of the respondents (Project..., 2011).

A good example of cooperation is cooperation between Latvia University of agriculture (LLU) and Zemgale region's Development Council, engaging students and new scientists (doctoral students) in researching problems of the local labour market. Zemgale region's Development Council makes a list of local problems that have to be researched, and thus recommendations to tackle them have to be made. LLU students choose appropriate research topics for their course papers, bachelor's paper, master's paper, or doctoral dissertation. Eventually, both sides benefit from it. The young individuals are more motivated to study, go into the region's problems, learn theoretical issues, get an understanding of and develop skills in how to apply their knowledge in practice. Local governments, on the other hand, may use the findings made by students in fostering the region's economic growth and in tackling social problems.

## **Conclusions and Suggestions**

Social partnership started emerging in Latvia quite recently. Initially, it was implemented in the form of social dialogue, but presently it is implemented in the form of social partnerships, engaging stakeholders from public administration, business, civic society, education, and science to tackle the issues essential for developing the territories of regions or municipalities in various areas: employment, poverty and social exclusion, education, establishment of cultural and interest centres, as well as increase of public participation in state administration.

Higher education is one of the most important factors affecting the growth of the national economy. In particular, it determines the need to promote social partnerships and engage social partners to a greater extent in order to tackle the urgent problems of a particular territory in relation to education and employment problems.

According to the survey, cooperation between the local authorities and the HEIs in the aspect of social partnership in Latvia is mainly implemented in the form of long-term agreements aimed to achieve common goals. Regular long-term partnerships were observed only in a few municipalities. The majority of the surveyed local authorities said that their partnership activities were irregular or no social partnership was implemented. The main kinds of partnership between the local authorities and the HEIs were the provision of training placements for students and the implementation of career education programmes. The tackling of such essential problems as raising the quality of studies, adapting study programmes to the needs of regions (municipalities), transferring new knowledge and technologies to the national economy, etc. was still incomplete.

According to the survey of new businessmen, the businessmen would like to engage in social partnership, but a greater initiative has to come from the local authority and HEIs.

To foster the development of the regions, it is important to local authorities and HEIs to activate the existing experience in the field of social partnership through jointly implementing projects and associating research with tackling municipal problems, especially focusing on the demand and supply of the local labour market in the regions; based on it, the quality of studies could be increased by adapting study programmes to the region's needs. In preparing the needed professionals, the local governments and enterprises have to take greater care by granting scholarships to young individuals, engaging businessmen in the study process as guest lecturers, facilitating the transfer of new knowledge to industry, exploiting the intellectual capacity of HEIs, and engaging academics in designing municipal development documents, in working groups, in continuing education, and in tackling other urgent social problems.

## References

1. Doyle, M. Economic benefits from Social partnership. European Commission (EC). The European social dialogue, a force for innovation and change, EK, 2002.  
[www.tsp.org.uk/index.htm](http://www.tsp.org.uk/index.htm)
2. Egle, E., Karnīte, R. Sociālā partnerība un tirgus ekonomika Latvija. Sarunas ar Latvijas uzņēmējiem. Izdevējs SIA Lietišķās informācijas dienests, Rīga, 2008.
3. Giguere, S. Local partnerships for better governance, OECD, 2001.
4. Gramberg, M. Citizens as Partners. OECD Handbook on Information, Consultation and Public Participation in Policy-making, OECD, 2001.
5. ILO, Key Features of Social Dialogue: A Social Dialogue Resource Book., In Focus Programme on Social Dialogue, Labour Law and Labour Administration, [www.ilo.org](http://www.ilo.org), 2006.
6. Kolk, A., Van Tulder, R., Koztwinde, E. Business and partnership for development. In: European Management Journal. Volume 26, Issue 4, p. 262 – 273, 2007.
7. Meņšikovs, V. Izglītības paradigma un sociālais dialogs, SAK, 2007.
8. Moseley, M. Local partnership for Rural Development, The European Experience. CABI Publishing, 2003.
9. OECD LEED, Forum for Partnerships and Local Governance, Successful Partnerships. A Guide, [www.oecd.org/cfe/leed/forum/partnerships](http://www.oecd.org/cfe/leed/forum/partnerships), 2009b.
10. OECD, Local Governance and Partnerships, OECD, 2001a.
11. OECD, Local Governance and Partnerships. A Summary of the Findings of the OECD Study on Local Partnerships, 2001b.
12. Ozola, Z. Sociālā partnerība Latvijas reģionos: piemēri, analīze, attīstība. Latvijas Darba devēju konfederācija, 2010.
13. Project of Universities Investments in Latvian Economy (UILE). Rīga, SKDS, 2011.
14. Social partnerships. Guideline principles on their Establishment and Operation within the European Union (EU), 2004. [www.sustainable-design.ie/sustain/socialpartnership.htm](http://www.sustainable-design.ie/sustain/socialpartnership.htm),
15. Teague, P. What is Enterprise Partnership? Organization, Volume 12 (4), p. 567-589, 2005.
16. Turok, I. Innovation in Local Governance: the Irish Partnership Model, University of Glasgow, 2008.
17. Turok, I. Urban Partnerships with Purpose, Presentation to OECD seminar, Lisbon, 2007.
18. Walsh, J. Disability in a Sustainable Human Environment. Keynote presentation at the UN conference „Designing for the 21th Century” Rio de Janeiro, Brazil, 7th-12th December 2004. [www.accessibility-for-all.com](http://www.accessibility-for-all.com),
19. Walsh, J. Partnership Theory and Practice. Part one. In: Partnership for Effective Local development. CREADEL PUBLICATION Nr.2, Universite Libre de Bruxelles, Charleroi, p. 7 – 28, 2004.