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## Innovative Forms of Partnership in Development and Implementation of University-Business Cooperation

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### Abstract

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The article deals with the aspects of public-private partnership (PPP) in modern conditions. Public-private partnership is positioned as an additional mechanism in solving complex problems and tasks of universities. Innovative forms of public-private partnership with universities and businesses are expressed in establishing education scope administration, economic assistance, innovation research and development, scientific and practical expertise and estate administration. Particular attention is paid to the development of business contacts between universities and business organizations at the present stage of economic development. There are also allocated the objectives of developing competitive university environment, the prioritized development of regional universities and dramatical modernization of education based on the interests of the military-industrial complex. The article describes the structure of the functions and forms of educational institutions activity and the mechanisms of PPP implementation. The author represents using mechanisms of public-private partnerships in the territory of the Russian Federation and the modern trends of developing PPP collaboration and education.

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**Keywords:** Public-private partnership; business; innovation; competitiveness; quality of educational services.

### 1. Introduction

When Development of business contacts between higher education (HEI) institutions and organizations is of great importance on the current stage of economic development; it is expressed in search for optimum forms of cooperation, development of both innovative forms of activity and methods of their implementation. Partnership is particularly important for employment, professional

adaptation and competitiveness of university graduates in the labor market (Morozova et al, 2016).

Particular important for universities is to increase quality of educational services, as in the current economic reality universities are facing multipolar competition.

The goal of innovation policy in the system of higher education is training of scientific and pedagogical professionals in accordance with global competency requirements as well as use of innovative educational and scientific resources for economic development and accomplishment of social tasks (Suzdalova et al., 2015).

It is necessary to improve an IT component of modern education: "High-tech information environment greatly enhances educational process by immersing a trainee in the professional field of activity that allows modeling and simulating real situations, contributing to the development of value orientation of future professional activity. However, this medium efficiency level is directly dependent on the level of participants' information culture. In this regard, there is a need for standardization of information culture requirements of both teachers and students as well as for measuring of their competencies" (Suzdalova, & Kvashnina, 2015).

## 2. Materials and Methods

In this regard, public-private partnership (PPP) in modern conditions is positioned as an additional mechanism of solving complex problems and tasks of universities such as:

- state requirements;
- employers' requirements;
- tough competition;
- modernization of the education system;
- start-up of innovative programs.

At present, researchers have identified three major objectives:

1. The development of university competitive environment is just a task for employers, because its solution will make our education system more flexible with regard to interests of the real economy. Practice-oriented modular training should be a tool.

2. Priority should be given to development of higher education institutions in regions. "A widespread increase in university teaching will be the catalyst for the development of territories, and ultimately provide territorially balanced socio-economic development of our country" (Vocational education and youth employment: XXI century, 2014).

3. "Fundamental modernization of higher education for the interests of the defense-industrial sector" (Lizunkov et al., 2015).

Functions and forms of educational institutions' activities to start PPPs are as follows (Loshchilova et al., 2015).

For institutions of higher education:

- educational process implementation (programs of higher education and other programs under license);

- research and scientific-methodical activity;
- financial operations;
- economic activity;
- recruitment and placement of personnel;
- other activities to ensure performance and development of higher education (Politsinsky et al., 2015).

For institutions of postgraduate vocational education:

Educational process implementation (programs of postgraduate education);

- research and scientific-methodical activity;
- financial operations;
- economic activity;
- recruitment and placement of personnel;
- other activities to ensure performance and development of postgraduate education.

PPP refers to innovative methods, used by the government sector, to contract with the private sector, using their capital and managerial capacity in starting projects in accordance with periods and budget. The government sector is responsible for providing population of these services with beneficial methods and has a positive impact on economic development and improving people's lives quality. As a public-private partnership (PPP) is a set of forms of medium- and long-term cooperation between the state and private business to solve socially significant problems on mutually beneficial terms, focuses of partnership with educational institutions are as follows:

For estate administration of the state HEI:

1) estate administration and management within the rights and limitations, set by the Russian legislation, including

- factual and legal actions with the property for the benefit of a HEI and on the basis of civil-legal relations between an institution and a manager;
- exploitation and modernization of existing facilities;
- renting of property objects;
- contributing of property for starting of partnership projects.

2) Realization of partnership investment projects for commercial purposes aimed at increasing extra-budgetary resources for financing of educational activities:

- construction of buildings and structures, purchase, installation and start-up of individual equipments or technological facilities, land development, economic activity (production of goods, works and services, and others) on a contract basis (Malushko, 2015);
- founders' work (Nikitin et al., 2016).

3) Education scope administration:

- realization of joint educational programs by personnel of governmental, municipal, non-governmental organizations and company experts as well as development of training and methodological support;
- partnership conferences, round tables, seminars, presentations and trainings for professional development of teaching staff as well as for closer cooperation between practitioners and students;

- popularization of ideas and practical solutions through publication of professional readings;
- starting of educational centers or other institutions of corporate training and retraining.

4) Financial backing for education:

- funding for capital and operating costs;
- additional scholarship programs;
- grant programs for teaching staff and students;
- student loans and preferential loans for teaching staff;
- occupational pensions for teaching staff;

5) Research and applied activities:

- partnership in research and development works;
- starting of techno-poles and R-S-T parks (start-up, funding, founders' activities);
- starting innovative enterprises, venture capital funds, business incubators, technology transfer centers (start-up activities, funding, founders' activities);
- constituting of territories of innovative technologies' commercialization (start-up, funding, founders' activity) (Real Estate and Investments, 2007).

Public-private partnership is a legitimate (for a fixed term) and based on the pooling of resources and sharing of risks. This is cooperation between the public partners on the one hand, and the private partner on the other hand, based on public-private partnership agreements, in order to attract private investments and provide availability and quality of goods, works and services by virtue of the state and local government (Encyclopedia, 2016).

### 3. Results and discussion

The public-private partnership (PPP) has been currently widespread in the Russian Federation. PP partnership employs types of cooperation, beneficial to both participants. PPP represents projects implemented jointly by government agencies and private companies in formations of federal, regional and municipal ownership.

Distinctive features of PPP are the following:

- participants in PPP are the state and private businesses;
- partnership is conducted in compliance with legal norms;
- partners are equal in rights;
- partnership has a social value;
- costs, risks, results are shared between partners in a prescribed manner.

Public and private business cooperation with universities may help to solve the problem of multi-level employment for future graduates. There are different opinions on this issue, which are expressed by researchers, employers, representatives of municipal authorities and employment centers, parents and students themselves.

Some believe that it all depends on the overall economic situation. The ability of families to bear the costs of higher education for children, in connection with the increase in wages, will reduce the need for part-time work for full-time university students. Otherwise, the number of students earning

additionally will increase and some of them will be forced to leave full-time education. Others suggest that students' employment will grow longer enough. This is indicated by surveys conducted by universities, and there are reasons why it should not be changed.

Employers and recruiters do not predict any drastic changes in the situation in the next 3-5 years; while there has been a tendency in the approach to employment of graduates, namely, most large organizations and companies require practical experience of applicants, therefore, students' employment also serves for gaining experience and enriching one's CV.

It is believed that development of partnership between universities and business organizations increase a number of graduates who will receive professional experience without compromising on learning.

Business-community representatives predict a decline in rate of graduates' careers while staffing vacancies with qualified personnel.

Undergraduates will more often be accepted as job trainees, for the purpose of work experience in particular positions; those who remain, will continue to rise up as all other employees.

Although there are differences in experts' estimations, it is obvious that students' full-time employment will not disappear in the coming years, but will be developed, undergoing some structural changes. In this regard, there is a need to develop a system of joint actions for decision makers in the field of higher education and employment. Here are some suggestions and recommendations for solving problems of university graduates' employment:

- expand business contacts between universities and businesses;
- encourage employers;
- introduce fiscal incentives, any other benefits or direct payments for recruiting of undergraduates;
- develop trainees of undergraduate students without continued occupancy commitments;
- develop student's labor exchanges, which accumulate information on the availability of permanent and temporary jobs for undergraduates and graduates;
- develop annual "job fairs";
- establish a database of vacant positions for senior students and graduates and a special service for submitting CVs and applications (Malushko, 2015).

#### **4. Conclusions**

Modern labor market requires professionals, who have mastered several professions, or trades, who can adapt to technological, organizational, or any other changes being trainable, ambitious and aid to professional career (Yarullina, 2014).

Since 2014, the education economy has being monitored for information support of educational policy. Governing bodies of Russian education, based on the systematic information, monitor progress in the education system. Respondents' answers: parents, students, teachers/educators, heads of educational institutions and enterprises - are explored. Information database is constantly developed for analysis and prediction of education progress and for monitoring of education and labor markets' dynamic as well as needs and motivations of consumers and producers of educational services.

Abroad, the PPP works effectively from the early 50s of the twentieth century, and a considerable experience, both positive and negative has been accumulated. Though the term "PPP" does not have a common definition in international practice, its essence has common features, namely, pooling resources, sharing risks; and the main purpose of the partnership between educational institutions and businesses is realization of socially significant and mutually beneficial projects. In the meantime, the best foreign experience can be used, considering Russian specificity (Varnavskiy, 2009).

PPP is a promising course of socio-economic development of Russia. Consequently:

1. Public-private partnership has been vital under current conditions.
2. Public-private partnership is applicable in all areas of social development including Education.
3. Partnership areas: education scope administration, financial assistance, innovation start-up, research and development, scientific and practical expertise and estate administration.

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