

ENTREPRENEURIAL UNIVERSITY – A NEW VISION ON THE ACADEMIC COMPETITIVENESS IN A WORLD IN MOTION

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ABSTRACT: Development of higher education is in this period under the changes proposed by the Bologna Process (in the area of education) and the Lisbon strategy (in the area of research), changes already applied to a large extent and Romania. This paper presents a viewpoint drawing attention to a concept proposed since 1993 of whose implementation creates the preconditions necessary to implement the changes proposed strategic plan for higher education internationally.

Keywords: entrepreneurial university, competitiveness

JEL classification: M

Introduction

Due to the globalization, the emphasized actions of forces in the educational market, and the intensification of competition between universities both at the national level, through the emergence of private universities, and at international level, by encouraging mobility, the context of higher education has changed dramatically. Globalization of the higher education favors institutions that have a distinct course that does not rely heavily on financial resources provided by the state, which are flexible in the seizing opportunities and that are, to a certain extent, ambitious. In this description can be recognized the attributes of the entrepreneurial university. In fact, a university that will not be entrepreneurial will not be competitive in the new market of higher education, which will have a very different configuration by comparison to the traditional market.

This paper approaches the concept of entrepreneurial university and shows that implementation of academic reforms (3 +2 +3 structure, the credit system, etc.) is not sufficient for a university to survive in the newly created extremely competitive environment: to grow, universities should become entrepreneurial. Finally, paper opens the discussions on the status and capacity to adapt of the Romanian universities in the new dynamic international context.

The concept of entrepreneurial university

Discussions on the concept of entrepreneurial university started as a result of an international study undertaken in 1993 in five European universities after which Burton Clark has identified five common elements of successful higher education institutions:

- a ***strengthened core steering***: institutions that have a strong management center have a high degree of autonomy and can be centralized, decentralized or centralized at an intermediate level. Obtaining a strong middle management depends on the adaptability of the institution and the administrative ability to integrate the new managerial values with traditional academic values, so that all levels of school contribute to the upgrade of academic culture. In Romania, there are universities concerned with the building of a strong middle management, but this is a rather an intention and appears to be difficult to be achieved: in public universities due to the complicated and even outdated organizational structure while in private universities due to the quality of the human factor or to the excessively

involvement of the personnel in too many activities;

- an **enhanced developmental periphery**: is characteristic to the institutions that have an intense supplementary activities exceeding traditional boundaries between academic field and industry aiming to form relationships beneficial to both sides. The resulting partnerships create an expanded variety of functions such as the transfer of knowledge, industry contacts, development of intellectual property, continuous education and fundraising activities with alumni. Unfortunately, in Romania these supplementary activities do not receive a special attention from universities;
- a **diversified base funding**: institutions with an enlarged base of funding have more diversified sources of income the most significant being the government, industry and private sources. If one of these sources is weakened, the effect of the loss is felt more sources of income. Romanian university, due mainly to their relatively reduced capacity to create, develop and maintain relationships with the business environment base their financial condition mostly on public allocations (the case of the public universities) or on fees paid by their undergraduate and graduate students. The recent growth of the academic research activities have changed to a certain extent the situation in this respect but it is important to specify that funds for supporting research are still, in fact, public (national or European);
- a **stimulated academic heartland**: this refers to the essential academic functions. Traditional values are established within the academic departments and if the academic institution intends to engage in an entrepreneurial approach, each department will have to accept and to involve with strong commitment. A stimulating academic environment maintains to a certain extent the traditional practices but, none-the less, integrates new managerial practices in the context of the specific market. Current situation in the Romanian universities may suggest that traditional vision and practices are still holding a more important position by comparison to the new context created in this respect by the entrepreneurial approach;
- finally, an **integrated entrepreneurial culture**: the four above-mentioned elements are meant to create a culture that encourages and supports changing of the fundamental values of the academic institution. If the spirit of innovation and entrepreneurship are present, the implementation of entrepreneurial vision may begin within a particular department and the whole institution will facilitate development of a culture that embracing the idea at the institutional level.

Each item presented above there may be distinct but the interactions between them create the entrepreneurial institution. entrepreneurial university is completely and truly autonomous in a different manner from the current reality in which autonomous institutions legally can be and usually are very constrained by financial mechanisms (Shattock, 2003).

Schulte believes (2004) that an entrepreneurial university has two major purposes: first, to train future entrepreneurs who will build their own business and to develop the entrepreneurship of students from all areas of education and second, to conduct their activities in an entrepreneurial manner (organizing business incubators, technology parks, etc.). Schulte has defined the objectives of the entrepreneurial university:

- graduates must become, through studies and education, not only a job seekers, but also a creators of jobs;
- entrepreneurial management must deal with difficulties arising during the growth of new firms and approach them through multidisciplinary research;
- research and its results should be used not only for scientific publishing but also as a source of innovation in the economy and society, and a starting point in developing business ideas. Features of entrepreneurial university were summarized by Marginson (2002):
- a strong management center characterized by a presidential style of leadership, a significant institutional autonomy and ability to take strategic initiatives, a center that mediates most managerial relations with the external (government, civil society, etc.) and the internal

- environment (academic units);
- external administrative units, internal administration and management (including quality assurance procedures and performances) have an increasingly similar aspect to those from the different businesses although the university does not become just another business;
 - marginalization: the traditional academic type of leadership – academic board and councils, faculty etc. will tend to be replaced with part-time executive groups and semi-formal or informal mechanisms based on information technology, communication and consultation from top to bottom;
 - emphasizing the shift from the institutional identity to the disciplinary identity through, diminishing the identity of academic institution and replacing it with a more flexible and generic structure, used increasingly in teaching and research, alongside the traditional academic units; moreover, certain decisions that were once academic will be taken by non-academic units (for example, in recruiting international IT and marketing);
 - decrease of public funds in the education system and growth of competitive relationships between institutions, orchestrated by university policies characterized by fewer development strategies of which university leaders may choose; in an increasingly competitive environment, the position of elite universities appears stronger than in previous period.

Clark's entrepreneurial university won an almost iconic status between the models of 21st century universities. However, there has been no revolution in this field due to factors such as cultural inhibition and deeply entrenched management, which have the following sources: the state, organizational culture and tradition, organizational structures that require hierarchical levels of authority between the operational units, academic departments and strategic center, lack of a strong central leadership. It is interesting the remark of Shattock that Cambridge could survive and can develop without a strong central management because it is in all respects an academic leader but, for other universities, to include the entrepreneurial element is a condition of survival. In the current international context, the entrepreneurial model could be a prerequisite for the survival of the Romanian universities which are not yet so strong as other universities in Europe.

Are there entrepreneurial universities in Romania?

Many universities in Romania declare themselves as entrepreneurial and ready to face the challenges of the market. West University "Vasile Goldis" in Arad affirms that in the next period will "reinforce the entrepreneurial vocation of the university". The strategic plan of the Commercial Academy of Satu Mare concludes that within the new international context, "between universities there will be both collaboration and increased competition and the Commercial Academy is prepared to answer to these challenges". Academy of Economic Studies Bucharest has invested in research in order to build a strategy aiming to place it among the strongest universities. Yet, are there entrepreneurial universities in Romania?

Some institutions are considered as entrepreneurial and generate funds that do not come from the state, such as fees from foreign students or research contracts, but entrepreneurship, as it was noted above, is much more than that. A wrong or incomplete understanding of this concept may have the same result as the indifference regarding it, namely the failure of the university to adapt to the new environment. Hence the necessity of increasing concern of the Romanian universities for the entrepreneurship to achieve objectives, performance, etc.

Moreover, there is a real risk that the entrepreneurship work will become excessively bureaucratic instead of representing the free expression of a strategy determined by each institution separately. In this situation are the Romanian universities whose modernization is limited due to the lack of modern and effective strategies for higher education nationally. Another risk factor for the entrepreneurial universities is related to the hierarchical levels: they are used as mechanisms of defense, transferring a part of the control from the center at levels much closer to the effective

work. There are some drawbacks in this respect such as the distances between the strategic levels where they operate or bureaucratic procedures imposed by the need for reporting to higher levels.

Universities are a management team that leads in a hierarchical fashion, or have an institutional leadership team that uses the central level as an agent in implementing policies. "Including of the deans in this structure as key decision-makers can improve the position of the university, but if they are regarded only as line managers for their faculties, there is a risk of being transformed into agents of implementing policies rather than as representatives of operational units and as sources of ideas for the center. With the increase in size of the institution, hierarchical levels become necessary, but should be light touch only and not should be allowed to become agents of control or to separate the departments of the center "(Shattock, 2003)

Conclusions

Entrepreneurship is a way to restructure any university that wants to be competitive and to survive and grow over time. In the same time, It must be remembered that a balance should be maintained between the university as a public good and marketing to keep intact the core values of academic ethos. Universities that have so far acted in a bureaucratic and defensive manner may not easily become entrepreneurial. It is not enough to change the management education, but is necessary to grant a significant period of time during which the message on passing to the entrepreneurial way will arrive at the lower levels, will be understood and followed in accordance.

As Shattock states (2003), "universities will not become entrepreneurial if not they not impose their own internal criteria for the allocation of resources, if they not use creatively a diversified income base, where the Department is developing culture 'rich' and 'poor' earnings as a result of foreign income, or if the climate institution will not turn into one with a dislike to risk ".

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