



THE UNIVERSITIES PROJECT OF THE SALZBURG SEMINAR VISITING ADVISORS REPORT

BUDAPEST UNIVERSITY OF TECHNOLOGY AND ECONOMICS BUDAPEST, REPUBLIC OF HUNGARY

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Introduction and preparation:

1) Background materials.

Rector Dr. Akos Detrekoi and Vice Rector Dr. G. Horvai provided excellent background materials for the team's review setting forth what BUTE perceived as the issues and obstacles currently confronting the University.

The BUTE University Senate's Scientific Committee had identified six issues: quality assurance, lecturers' succession, the appointment procedure, doctoral training, university reconstruction and infrastructure maintenance, and issues of lecturers' and students' ethics.

The staff appraisal report for the Higher Education Reform Project for the Republic of Hungary focused on the implications of economic restructuring on higher education: the increased demand for higher education; the need for new skills acquisition and life-long learning; and the increased demand for a technical cadre to respond to the pressures of entry into the global economy.

The central and recurring theme in all these materials was inadequate resources stemming from the decrease in government spending for higher education coupled with the demands of a growing and also less elite student body. While the percentage of young people entering higher education institutions has risen from eleven to seventeen in the past few years, in the near future that proportion could be more than doubled. Inadequate resources result in low faculty salaries, teaching too many contact hours both at BUTE and at other institutions, and also seeking non-

academic “moonlighting” employment to enhance their incomes. This “moonlighting” and over-loading in turn result in a decrease in time for quality research and an overall decrease in academic quality, contributing in turn to problems of low faculty morale. Inadequate resources also, of course, hinder the appropriate maintenance and enhancement of the infrastructure.

2) Team Interviews

The rector and vice rector provided the opportunity for the Visiting Advisors to have extensive discussions with academic and financial administrators including several deans and department chairs as well as the rector and vice rectors and students. In all our discussions we experienced genuine concern for the advancement of BUTE, a distinguished institution with a long history of excellence. In spite of the decentralized governance structure in which decision-making resides at least as much in individual faculties as in the central administration, we sensed shared interest in, and shared commitment to, the future excellence of BUTE. We also sensed a common recognition of the obstacles to sustaining excellence in a new, changing, and competitive environment for higher education. The entire team conducted most interviews; in only a few instances did we separate in order to meet with more people or familiarize ourselves with more facilities, for example, the distance-learning program.

We were deeply impressed by the openness with which faculty and administrators alike were ready to discuss BUTE’s strengths and weaknesses. We believe this prevailing candor shows the inner strength of the university and is an essential psychological climate within which the necessary changes will be possible. We felt privileged as colleagues from other countries and other institutions to meet with members of the BUTE community to discuss practices and problems confronting higher education from several different perspectives. We felt we could speak openly about these issues, not as critics of BUTE, but as colleagues who have in our home institutions confronted at different times and to varying degrees, similar problems of change and adjustment in a rapidly changing global environment. We too have often experienced the rapid decline of funding from traditional sources faced by BUTE’s leadership team. Therefore, we believed we could listen sympathetically and with understanding to the challenges facing BUTE, and suggest strategies that have been developed to assist other institutions in times of crisis.

Central Issues and Suggested Strategies

Our discussions with members of the BUTE community were dominated by concern about the lack of adequate funding as a result of decreased government funding and the ensuing negative impact on salaries, infrastructure, fellowships, and academic programs. Therefore, we agreed to devote the majority of our observations to alternative ways of addressing this challenge. Clearly it is unrealistic to expect or hope for a reversal in government policy that would lead to a doubling or tripling of government funding for higher education. Therefore, non-governmental sources of support become the focus in addressing this overarching funding problem under which most other problems seem to be subsumed: faculty morale, excessive faculty loads, faculty leaving academe, and, to us the potentially most damaging

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consequence, losing the next generation of gifted researchers and professors who will not commit to careers in an under compensated profession unless they can see a resolution to this problem.

Our response to the funding crisis must begin with recognition of BUTE's considerable strengths—its unique assets provide a sturdy platform on which it can build a great future.

These assets, well-known and valued by all constituents of BUTE, start from its extraordinary location at the heart of Budapest, Hungary's political and economic center. BUTE's magnificent architecture and location symbolically underline its significance as an institution at the center of the nation's economy of the future. Moreover, the campus has space in which to expand and adapt, a rare advantage among centrally located urban universities. Furthermore, the site is inviting for developing commercial or industrial partner-tenants as well as for the promise of the new industrial park next door, where global leaders in technology and communications e.g. IBM and Nokia, are investing in their own development.

Equally important is the prestigious international reputation of B.U.T.E's faculty and graduates; the university begins any future evolution with great credibility as an institution. Furthermore, many BUTE alumni are now in a position to assist their alma mater (European universities in general have come late to the recognition of the value of life-long relationships with their alumni for mutually beneficial partnerships and for philanthropy.)

BUTE has the great advantage that the academic disciplines within which it works are central for rebuilding the Hungarian economy. Hungary's future economy requires a strong performance from the university, and that fact potentially provides the basis for a claim of support for BUTE from the economy.

Our report, after noting BUTE's unique and impressive strengths, suggests a variety of ways in which the university can secure the resources it needs by becoming more entrepreneurial and identifying alternatives to government funding. We provide an addendum to this report listing several strategies, not all of which may be appropriate or practical for BUTE, but which have all been tried and found successful by different universities in the United States and/or Western Europe. Many of these strategies have been explored only recently by European institutions. Public universities in the U.S. who relied in earlier decades on state funding also had to learn and adopt these successful strategies to supplement direct government support. They appear to be part of the life of universities in a pluralistic and market-oriented society.

Revenue Enhancement: alternative sources of revenue

The university must develop relationships with the society around it by reaching out directly to that society, offering its services and partnering with community organizations and institutions that can be local, national, or international in scope. It must be seen not merely as a supplicant for funds but as a provider of valuable services, and a good investment that will provide substantial concrete returns.

Moreover, and this, too, is essential to the university's future excellence, funds generated through these partnerships, investments and marketing of services must

enrich the entire institution and not just individual units or individual faculty or administrators. There are many models for shared income generated through specific projects, models that are fair to all parties inasmuch as the units gain when the university gains, improving salaries and infrastructure and other institution-wide capacity. We recommend that the B.U.T.E leadership initiate a comprehensive survey of these models to determine which one might be applicable considering the specific environment of the University. The members of the consultant team would be happy to assist in the design of this survey.

We will suggest here some of the key strategies contained in our addendum. They bear repeating. BUTE has already experimented with many of these strategies and we applaud these already existing entrepreneurial initiatives that have grown from the university's excellent academic resources which provide practical services to the economy in such areas as business and economics and information technologies. But we urge again that these ventures become part of a university-wide strategic plan that is understood as the way to build and secure the university's future as a prestigious leader in higher education. Ultimately the university itself must flourish if any of its parts are to flourish. "A rising tide will lift all boats."

BUTE already has research contracts and long-term relationships with particular firms and industries. The possibility of start-up companies merging from university research should not be overlooked. The university can run or sponsor incubator facilities. BUTE needs to identify intellectual properties created by individuals or groups within the university and seek ways of marketing, licensing and in other ways utilizing these to generate shared income. Rental of under-utilized space until it is needed for new or expanding programs can generate income and productive partnerships.

These are only isolated examples among many that can be multiplied productively by an active, entrepreneurial team reviewing all university physical and human resources with the goal of enhancing revenue within a strategic plan. We stress the need for teamwork and for institution wide communication that places these activities within a clearly understood and accepted strategic plan for BUTE. All the parts of the University need to be partners in a common strategy and revenue-producing activities by individuals and units need to reinforce each other.

External Relations

Related to the issue of revenue enhancement and entrepreneurialism is the entire area of external or public relations. BUTE needs to develop an office and program of external relations through which to reach outward beginning with its own graduates, its distinguished and successful alumni. It also needs to develop this program in order to increase general public understanding of the economic value of a healthy, strong university to Budapest and to Hungary. There is a general misperception, not unique to Hungary, in which universities are seen as consumers of social capital, a drain on the state and on society as they subsidize the education of the young. The reality, appreciated only with a vigorous and sustained external relations effort to educate the public, is that universities are not a drain but an economic engine driving the production and multiplication of wealth.

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The components of this economic production are many: the university as major employer; the university as developer of human resources maximizing the earnings potential of its graduates; the university as magnet to innumerable students, faculty and staff (also visitors including international students and faculty) who develop their talents and spend their incomes in close proximity to the university.

If the earning potential of students as they come to BUTE were to be compared with their earnings after they graduate with a degree from BUTE, the differential and the benefit to society through their increased income and spending ability, and the taxes on that higher income, would be dramatic. These increases represent only one contribution of the university to the creation of wealth in the economy.

In addition, the university delivers money to area shopkeepers and to business in general in Budapest through the wages it pays its employees. That process of turning over money by the activities of the institution itself and through the activities and spending of its employees and students is a major generator of wealth.

Beyond this daily flow of cash into the economy the university makes a further contribution through the impact—harder to track or calculate—of the scientific discoveries and technical solutions that have come out of university research. Clearly there is a significant contribution to the economy of Budapest and Hungary from technical solutions, processes, and products developed within the university. The newly established Faculty of Economics at B.U.T.E would be in an ideal position to take up this question of the “rate of return” of higher education and research, and to develop a comprehensive research focus around this theme. We, therefore, recommend that this Faculty undertake a performance study of the economic impact of B.U.T.E based on a broader notion of social development and economic sustainability. Such a study should be interdisciplinary in nature and should stimulate a university-wide discussion; it should also include student research projects because it addresses a topic that is of pre-eminent importance to the students’ future professional life.

In addition to reports and statistical studies on the university’s wealth-producing roles that will be generated by a university Office of External Relations and Communications, BUTE (perhaps in association with other lead institutions of higher education) might consider encouraging its students, graduates, and employees to raise higher education issues with candidates for political office during election times. This questioning should never take a partisan form, but should be undertaken with the aim of raising general awareness of the importance to national economic health and competitiveness of strong, adequately funded universities. Candidates could be asked to indicate how they view the government’s policy toward higher education and its funding of higher education. It would seem reasonable to argue that voters have a right to know the position of candidates on higher education. If this process were repeated over time higher education would take its place as an important social question requiring politicians, both candidates running for office and those already in office, to express their position.

We understand that organized interactions between the university and its alumni are in the hands of the student association. Since alumni can play such a decisive role in

the future of BUTE, developing that relationship must be a central responsibility of a new office of external relations. In the long run, as the university reaches out to imbed itself in the society around it, to serve that society more directly and to draw nourishment from it, alumni can become “stockholders” in their university. But that requires building an understanding of their future responsibility while students are working for their degrees and then building on that foundation by a process of subsequent communication and interactions initiated and led by the university. That requires a university office leading and promoting the process. And, it also requires, in varying ways, participation in this relationship-building process by all members of the staff, both teaching and administrative.

The task begins with building a directory, a list of names, addresses and occupational titles, of all who have attended. Such a list opens the way through which news of the university and its people and problems can be communicated. In this context, communication is the basis of everything else.

Strategic Planning

We began our report with an urgent concern for the issue of declining funds and increasing enrollment, an impossible situation if allowed to continue without drastic correction of one or the other component. Two of the responses we suggested are entrepreneurial initiatives to develop alternative revenue streams, and aggressive external relations and communication to market higher education and alter society’s misperception of higher education as a drain rather than a driver for the economy. These strategies cannot be applied without stepping back to develop a strategic plan, a comprehensive view of BUTE’s present situation, where it is headed currently, and how to shape its future direction to achieve the desired outcome of sustaining and enhancing its excellence.

Strategic planning—the process of setting goals and objectives and weighing alternatives—should be seen as a process that is continuous and broadly participatory. One of its purposes is to build understanding and consensus. Through the involvement of many people in the process, the university community can come to share a consensus about where BUTE must go in the long run, and, from that consensus, what needs to be done in the short run, what short term decisions and actions, including targeted allocation of resources, will lead to the desired long term destination.

In addition to building consensus through a participatory process, the strategic planning process can also build trust among the participants and a sense of confidence in the future. Throughout our visit, the team sensed shared commitment to BUTE’s future and concern for its present crisis. We heard statements of positive support for the academic leadership and noted the thoughtful plans already developed by the Senate’s Scientific Committee under the leadership of Dr. Gabor Stepan and Dr. Gabor Peceli, among others. Such plans need to be reviewed within the context of a university-wide strategic plan and not in isolation. While only portions of the plan had been approved by the Senate, and elements of it were still under discussion during our visit, the existence of such plans was very encouraging to us and confirmed our trust in BUTE’s ability to find solutions for this crisis and to resolve the multiple aspects mentioned in the background materials such as appointment,

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evaluation, and promotion of faculty, and also to ethical issues related to faculty and to students.

Leadership

The strategic planning process must be participatory, but at the same time the leadership of the university must be confident, recognized, and centered in the rectorate. The rector's office needs to be seen as a unified, cohesive team working together and supporting each other toward the common goals identified through the planning process. Good leadership invites, draws out and builds upon the best ideas and practices that exist within the university community so that these enrich the entire institution. Good leadership articulates a long-range vision of what the university can and should be, it looks beyond the crisis of the moment, draws lessons from the past, and also dares to imagine wholly new ways of developing and functioning in the future.

In order to be effective in its central role of articulating a vision and leading the strategic planning process, the rector's team must guide the allocation of resources in order to implement and realize the plan and the vision.

We were troubled by what we perceived presently as a separation between academic policy formation and academic administration, on the one hand, and quotidian financial administration on the other. However it can be accomplished, we recommend that this separation be overcome, so that financial decision-making and broader policy formulation are integrated under the leadership of the rector. Financial administration is a means to an end, not an end in itself. It is subordinate to the purposes for which money is spent, not an independent process. We sensed a lack of communication and, therefore, of consensus with respect to the future direction of BUTE in these different offices and centers of decision-making, both academic and financial.

In addition to guiding decision-making with respect to all the university's non-dedicated resources (universally a small percentage of institutional resources inasmuch as salaries and the physical plant maintenance account for most of them), we recommend establishing a small, flexible, innovation fund to support and provide incentives for good ideas wherever they emerge on campus. One percent annually of university funds could be sequestered to this dedicated purpose and would return that investment many times over.

In conclusion, during this brief but intense visit during which we were privileged to speak with and listen to a wide range of university constituents, we sensed a common story, a history or even legend about BUTE, widely shared, but in our view an inhibitor to progress. It is a story that needs to be left behind so that BUTE can proceed aggressively to overcome the dragons in its path and reach for the golden apples. This story or myth points to a proud and even glorious past, and quite properly so. The story then contrasts the negative aspects of the present that grow out of the recent past: the growth in students, the absence of growth in staff, the decline in government support of the budget, the hopelessly inadequate salaries, the stagnation and even deterioration that will come if these trends, seen within the myth as irreversible, are allowed to continue.

Our team heard the story, understood its persuasiveness, and sensed the nostalgia for better days and the pessimism and even despair about the future, based on present real conditions. However, we want to challenge the conclusion of the story and hope our report provides some tools and techniques that can enable BUTE's leadership, its excellent faculty, its skilled and committed academic administration to build on the enormous assets of the university, and change the direction of events. Despair leads to paralysis rather than the action needed to move on, and action is essential. BUTE must take the creation of its own future into its own hands and change its present trajectory.

We recognize that the kind of independent entrepreneurial action we are suggesting may create other new obstacles in the short run, that the external environment may resist change, that BUTE's entrepreneurial efforts may press against limits coming from the surrounding culture and from governmental regulations and expectations that also rest, like the university's own "story," on past history rather than future possibilities. Universities on the move, engaged in activities that are clearly in society's interests, although initially hindered by societal expectations and governmental rigidities, have the potential to effect societal change by altering those expectations and softening or removing those rigidities. This requires tenacity, self-confidence, and imaginative leaps. As the university aggressively moves ahead, BUTE may be able to create the new environment it needs in order to flourish. In the years ahead as BUTE redefines itself and acts on that new definition, its actions can help move the walls within which it now believes it must work.

Summary

To summarize our findings: BUTE is in danger of stagnating and losing its historic status as a prestigious university unless it takes positive action to move ahead in spite of formidable and well-identified obstacles. Traditional government-provided resources are increasingly inadequate as the student body grows to meet society's demands for a better educated, globally competitive, work force. BUTE must seek out alternative revenue streams through a variety of entrepreneurial initiatives suggested in our report and addendum. It should develop its graduates into advocates for BUTE and also view them as potential donors. It should create an aggressive program or Office of External Relations to "tell its story" and demonstrate that BUTE, rather than a consumer of and drain on state resources is an engine for the economic advancement of the nation.

BUTE must engage in a strategic planning process led by its academic administrative team with the rector at its core, a participatory process that at all times is understood by the participants to be in their particular interests as well as in the general interests of BUTE

The financial administration and decision-making of BUTE must serve the academic long-term goals developed and articulated through the strategic planning process. It must become, and also be perceived, as a means and not an end.

The role and responsibilities of the rector are key. He must guarantee the participatory process by creating a non-threatening environment in which change,

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risk-taking, innovation are welcomed and in which good ideas, successful initiatives are celebrated through his office and communicated to all university stakeholders including alumni and also corporate and governmental partners. He must provide tangible incentives for such initiatives and for innovation through creating a modest (one percent of annual budget or less) innovation fund.

The role of vice rectors and deans and chairs is also key, as these represent the collective academic leadership of BUTE without whose active support and good will communication in all directions and the flow of essential information is inhibited.

The role of senior professors is key, as these model for the lecturers and graduate students the best in their chosen profession, and as their commitment to BUTE and their confidence in its ability to recreate itself encourages this next generation to pursue for themselves careers in research and teaching, something many are currently afraid to do.

We note briefly and urge further study and approval of elements in the Scientific Committee's plan for faculty appointment and promotion, designed to help address the issue of sustaining future faculty development. We noted the excellent decision to move young faculty either into the associate professor or professor ranks by age thirty-five, or to move them towards alternative careers. We suggest limiting the number of full professors and a thorough evaluation process to determine who should be selected into this number. At the same time, we suggest narrowing the salary differential between the senior rank of associate professors and the junior rank of full professors, lest those denied this full status be unwilling to remain as associate professors.

An effective system of evaluation for academic staff will require clarification of responsibilities and obligations, i.e., a clear understanding of an appropriate number of contact hours; a well-communicated and accepted understanding of limits on outside employment, whether at other universities or in the for-profit sector. It will include reasonable research expectations as well as understood criteria for evaluating excellent teaching. As BUTE becomes more entrepreneurial it should include an understanding of service expectations that includes internal academic service such as serving on important committees or task forces and external service such as seeking out university partners, or working with the Office of External Relations to "tell BUTE's story."

We are confident that BUTE will weather the current crisis, that it will sustain and enhance its current excellence. We are grateful to have had the opportunity to consult with everyone who met with us and to put forth suggestions based on our own collective experience that we hope may prove helpful. Your future is in your own hands. We wish you all good fortune and success as you move ahead.

ADDENDUM

This addendum develops further our sense of the extraordinary potential perceived by the team for BUTE to become more entrepreneurial and thereby address some of its major challenges: the loss of some of its best faculty and the future loss from a teaching career of the most promising (and entrepreneurial) of its graduate students.

We see this erosion of future faculty as a threat not only for BUTE but also for the economy of Hungary, if the country's future leaders are to be prepared.

We recommend that BUTE establish an Office of External Affairs, a broad-based umbrella office headed by an administrator at the level of vice rector, i.e., reporting directly to the rector and a member of his senior administrative team. External Affairs typically initiates and/or oversees and coordinates all private and public sector fundraising, community relations, alumni relations, public and governmental affairs, communications and marketing, and a broad array of entrepreneurial activities to be undertaken separately by the university through its teaching faculty and its administration in partnership with a variety of corporate or private community partners. Coordination is crucial. Nothing harms fundraising efforts more than for several individuals or units of the university to approach a potential donor independently. The wealthy individual or corporation inevitably concludes that the applicants do not represent the university's best interests. They also observe that the university lacks a strategic plan and clearly articulated goals and their evaluation of the university as a potential partner is likely to be unfavorable. The short-term result is either no investment, or minimal investment; the long-term result can be closed doors to future requests from the university.

We applaud the university's foresight in establishing an office to negotiate and manage grants and contracts as well as a PR office. We note that student initiatives have already launched an Office of Alumni Affairs. We were delighted to recognize the forthright entrepreneurialism of individual units, in particular, the new faculty of economics responsible for the MBA and the information technology faculty responsible for developing the new Center for Information Technology and also involved with the new Management Information System, the new and still embryonic Info Park, and the National Audio Visual Archives (NAVA).

These are all excellent beginnings that now need coordination within a strategic plan.

The success of these very distinct and mostly unrelated activities confirm our belief that BUTE needs to incorporate this spirit of entrepreneurialism into the very heart of its operations and into the essence of its strategic plan. Rather than lament the decline from an earlier era of excellence when BUTE served a smaller, very elite constituency, and rather than focus on the decline in government funding (a decline likely to worsen rather than improve, as has been the case with major public universities in the USA and in many countries of Europe), BUTE can capitalize on its faculties and on its extraordinary physical location at the heart of Budapest and actively develop its community partnerships. It would thus create a new identity in which its role is no longer limited to serving a small elite but, in partnership with corporate and civic entities, to benefit Hungary's economy and society at large at the same time as it enhances its own resources and guarantees its future stability and quality.

Higher education too often is perceived as a consumer of public funds when it should be perceived as a generator of wealth. It has become a commonplace in the USA that institutions of higher education give back to the region where they are located three to five times the monies that are invested in them by the government. Such a perception may not be common in Hungary, so it is essential that BUTE, perhaps in

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cooperation with other universities, conduct rigorous market studies that will make these facts readily evident.

The following are suggestions that should seem desirable in an entrepreneurial university, though how they are developed, and in what sequence, would very much depend on particulars.

1. A university Office of External Affairs headed by a senior administrator, equal in rank to a vice rector, would coordinate and initiate the following:

a. Encourage corporate sector fundraising through joint ventures, research projects, training for corporate employees including executive programs;

b. Promote private sector fundraising through grants proposals to foundations, alumni and donor relations, scholarship funds, capital campaigns;

c. Establish an expanded Office of Grants and Contracts that can provide such services as fiscal management, drafting of legal documents, management of tax, insurance, safety assurances and that can also communicate information about upcoming competitions for government or industry grants and contracts in a timely manner and facilitate the preparation of proposals by faculty;

d. Create an investments office to responsibly manage investment of funds raised privately taking advantage of both short term and long term options to cover the range from optimizing the float on existing funds before they are needed and endowment or quasi-endowment funds;

e. Establish a university marketing division within the Office of External Affairs to provide timely communications inside and outside the university, producing an array of attractive publications about the university, its faculty and its graduates, marketing the university as a whole and also individual programs with potential for external support and growth. This office can also initiate market studies using the skills of its economics faculty that will document the significant role of BUTE as an engine of economic growth for Hungary, and, by extension, the catalytic role of higher education in general.

f. Introduce within the university's strategic plan, and directly under the authority of the rector and vice rectors there should be a policy of incentives to individual faculty and to departments to seek out opportunities for partnerships in joint ventures that will lead to a revenue stream to benefit both the directly participating individuals and the university, enhancing its ability to provide more adequate salaries for its faculty. In addition to the obvious incentive of supplements to salary, these incentives could include allocations of space, upgraded office or lab equipment, support for research assistants, travel monies. Even with limited resources, the rector and his leadership team need to reward entrepreneurship by investing resources in these departments to the extent possible and thereby building on their strength to the benefit of the entire institution.

g. Address the issue of intellectual property rights which cannot be fully resolved while faculty still correctly perceive their official compensation as drastically

inadequate, and while the university leadership shares that perception and feels unable to put limits on the ways faculty individually seek to improve their situation or to claim any of the revenue from their efforts. We would argue that even under these lamentable conditions this issue must be addressed and policies must be established that recognize the university as a partner in all such activities, that through its support for faculty research and entrepreneurship by providing space, equipment, graduate students, library and computing facilities and all the other intellectual resources that comprise a university, it does have the right to share in extramural benefits for the long term enhancement of the environment and working conditions for the faculty as a whole. The principles should be established even before they can be fully implemented.

2. On the academic side we see particular potential in the foreign language programs at BUTE, both in the extensive curriculum in English and smaller but still significant programs in French and German. We were told that summer is under-utilized because faculty (deservedly) use their paid vacations and do not wish to teach during this period. Nothing should prevent these programs from offering courses to attract the extensive U.S., and European student market, perhaps by hiring other, part time summer faculty, providing they meet BUTE's standards, to teach these courses. BUTE's resources would permit very attractive programs including history, culture and language of Hungary taught in English, French or German, or, on demand, in all three. Even if other institutions in Budapest are already offering such programs the market is so large that with BUTE's reputation and its excellent location in the heart of Budapest we are confident that these would be heavily subscribed if well advertised to international programs personnel in the U.S.A.

Distance education, well equipped at BUTE, provides another rich resource for attracting extramural students, both Hungarian and international. Currently under-utilized, the staff and equipment at BUTE can work with faculty in all areas to put courses on line that can reach a new student constituency.

CONCLUSION

This addendum is not meant to be exhaustive but to suggest some of the ways in which BUTE can address the challenges of decreasing government subsidies by becoming more entrepreneurial and independent. The key to success is a clearly articulated and broadly understood and accepted strategic plan, with continuous communication to all constituents, and a system of incentives and rewards for faculty who take a leadership role in furthering the university's interests through their initiatives as enlightened entrepreneurs.

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Visiting Advisors Team

Thomas A. Bartlett USA

Thomas Bartlett served as chancellor of the State University of New York (SUNY) from 1994 to 1996, and is the former chancellor of both the Oregon State system of higher education and The University of Alabama system. Dr. Bartlett is former president of the Association of American Universities, Colgate University, and the American University of Cairo. He holds positions on numerous boards including chair of the board for the United States-Japan Foundation, vice-chair of the board of trustees for the American University in Cairo, and as a member for the International Association of Universities. A former Rhodes Scholar, Dr. Bartlett received his M.A. from Oxford University in 1953 and his Ph.D. from Stanford University in 1959.

Jochen Fried Germany

Jochen Fried is director of the Universities Project of the Salzburg Seminar. Prior to joining the Salzburg Seminar in 1998, he worked as the head of programs at the Institute for Human Sciences in Vienna, and as a senior officer in the secretariat of the German Science Council in Cologne. After receiving his doctorate in German literature from Düsseldorf University in 1984, he was lecturer at Cambridge University and at the University of Ljubljana under the auspices of the German Academic Exchange Service. Dr. Fried serves as an expert for the Austrian Federal Ministry for Science and Transport, and is a member of the Editorial Board for the UNESCO-CEPES quarterly review "Higher Education in Europe."

Emita Hill USA

Emita Hill is the former chancellor of Indiana University, Kokomo. Before joining the University in 1991, Dr. Hill spent twenty years at Lehman College, the Bronx campus of the City University of New York, where she first served as chair of romance languages, then as associate provost and finally as vice-president for institutional advancement. As an administrator, Dr. Hill was an advocate of open admissions and access in higher education. She actively continues her scholarly career, writing extensively on French literature and thought in the Age of Enlightenment. Dr. Hill earned her B.A. and M.A. degrees in French from Cornell University and Middlebury College, respectively, and received her Ph.D. in romance languages from Harvard University.

Piotr Ploszajski Poland

Piotr Ploszajski is the former two-term director general of the Polish Academy of Sciences. He has since concentrated on his role as professor and head of the Department of Management Theory at the Warsaw School of Economics (WSE), a position he has held since 1994. From 1987 to 1991, Professor Ploszajski was the director of the Institute of Philosophy and Sociology, the largest social science research center in Poland. Recently nominated chairman of the Senate Committee for Program and Curriculum Development, Dr. Ploszajski also chairs the Polish-Japanese Management Centre at WSE, which is funded by a grant from the Japanese government. Dr. Ploszajski was educated at the Sloan School of Management, Harvard Business School, and the Institute of Philosophy and Sociology at the Polish Academy of Sciences, where he received his Ph.D. He is a member of the Universities Project Advisory Committee.

Clara Yu

USA

Clara Yu is the Cornelius V. Starr professor of linguistics at Middlebury College. Currently, she directs Project 2001, a group of integrated programs designed to encourage collaboration in the development and implementation of technology-enhanced language instruction at sixty-two liberal arts colleges and thirteen consortia in the United States. From 1993 through 1996 she was vice president for languages and director of the Language Schools at Middlebury College. Beginning in 1994, Dr. Yu has worked to enhance language instruction through the use of technology. Project 2001 is the most recent phase of this ongoing initiative, which was responsible for the newly founded Center for Education Technology at Middlebury College. Before joining Middlebury College, she was an artificial intelligence consultant in the Washington, D.C. area, specializing in knowledge engineering and expert systems. She earned a Ph.D. in comparative literature from the University of Illinois.

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THE UNIVERSITIES PROJECT OF THE SALZBURG SEMINAR

Universities throughout the world are undergoing systemic changes in their governance, academic design, structure, and mission. The Salzburg Seminar's Universities Project focuses on higher education reform in Central and East Europe, Russia, and the Newly Independent States as universities in these regions redefine their relationships with governments and try to become more integrated into the global intellectual community.

The Universities Project is a multi-year series of conferences and symposia convening senior representatives of higher education from the designated regions with their counterparts from North America and West Europe. Discussion in the Project's programs focuses on the following themes:

- University Administration and Finance
- Academic Structure and Governance within the University
- Meeting Students' Needs, and the Role of Students in Institutional Affairs
- Technology in Higher Education
- The University and Civil Society

OBJECTIVES

Universities and other institutions of higher learning are seeking to reshape themselves in ways that will prepare them more fully for the twenty-first century. Even as these institutions are considering extensive systemic changes in their academic design, structure, and mission, all desire autonomy in governance and in their intellectual life. Accordingly, the Universities Project aims to promote the higher education reform process by inviting senior administrators to participate in conferences and symposia concerning issues of university management, administration, finance, and governance.

VISITING ADVISORS PROGRAM (VAP)

The Salzburg Seminar launched this enhanced aspect of the Universities Project in the autumn of 1998. Under this program, teams of university presidents and higher education experts visit universities in Central and East Europe and Russia at the host institutions' request to assist in the process of institutional self-assessment and change. By the end of 1999, thirteen VAP visits will have taken place, nine to universities in East and Central Europe, and four to Russian universities. A full schedule of visits is planned for 2000. The addition of the Visiting Advisors Program brings to the Universities Project an applied aspect and serves to enhance institutional and personal relationships begun in Salzburg.

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FOR MORE INFORMATION

For more information regarding the Salzburg Seminar's Visiting Advisors Program, the Universities Project, and Salzburg Seminar programs, please contact one of the Seminar's offices below.

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