

REPORT on
State University of Management
Moscow, Russian Federation
April 26–May 1, 2005

SALZBURG SEMINAR

RUSSIAN HIGHER EDUCATION PROGRAM
VISITING ADVISORS PROGRAM



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The Russian Higher Education Program of the Salzburg Seminar Visiting Advisors Program

Summary Report of the Visit to the State University of Management, Moscow, Russian Federation April 26–May 1, 2005

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Introduction

1. In the context of the Visiting Advisory Program of the Salzburg Seminar (VAP) and upon the invitation of Academician Anatoly G. Porshnev, Rector of the State University of Management (*Gosudarstvennyy Universitet Upravleniya*) in Moscow, Russian Federation (hereafter “SUM” or “the University”), the Visiting Advisors Team (hereafter referred to as the “Advisory Team”) visited the University from April 26 to May 1, 2005. The Advisory Team held a series of meetings in that period with a representative group of persons from the Rectorate, the Scientific Council of the University, teaching staff, the University’s central administration, and students.

2. The purpose of the visit was to provide *an outside and international* perspective to the issues which have been selected and are seen as important by SUM. The general conceptual framework of such a visit is to provide international perspectives on specific local problems based on the assumption that it is important to look at the way others cope with similar problems, since those problems derive from a set of common basic tasks that universities perform (i.e.: teaching, learning, research, and outreach). Especially today these functions have not only local and national dimensions but more and more also have an international dimension.

3. It is appropriate to indicate that the work of the Advisory Team as well as that of the inviting institution actually started before the mission itself, since,

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prior to the consultant visit, it was the responsibility of the host institution to prepare documents presenting the current situation of the University - its success stories as well as problems. The documents prepared by the University were not only an important source of factual information about the University, but allowed the Advisory Team to gain indispensable insights into the issues that its members were expected to address. To a great extent, it served as a basis for setting the agenda of the whole visit and, as such, has also served as the general framework for the elaboration of this report.

4. The following three main issues were chosen by the University to serve as the framework for the visit, analyses, and discussions:

- **Governance and management;**
- **Budget and finance;**
- **International cooperation** (in particular, SUM's possible compliance with the EQUIS accreditation)

5. Among the documents provided by University, one of particular importance was *Mission and Strategy of the State University of Management* which analyses the strengths and weaknesses, opportunities and threats of the current positioning of SUM. This analysis also reflects the "external" and Russian-context in which SUM functions as well as the University's internal environment. The Advisory Team found this document of high quality. As could be expected from an institution excelling in management, the University is well aware of its strengths and opportunities as well as its problems and weaknesses, which is very important particularly in the context of long-term development.

Nevertheless, the Advisory Team would like to confirm and assess the observations included in this analysis as well as to suggest both short-term and long-term measures to address the issues which were identified by the University itself. But of course the Team can only give its observations and experience, and it is truly for SUM itself to consider how to respond to and execute the recommendations.

6. Prior to departure to Moscow, the team members, the President of the Salzburg Seminar, and the Coordinator of the VAP's visit conducted a conference call, which allowed the reaching of a consensus on the items to be discussed as well as on the organizational aspects of the visit.

7. At the end of the visit, the Team presented an oral report to Rector Porshnev and the members of the Scientific Council, outlining its preliminary observations and findings. This written report elaborates on these findings and offers suggestions and advice on a set of issues that emerged as particularly relevant and timely. The report is the result of a joint endeavor by the Advisory Team.

8. The Advisory Team owes special thanks to the local organizers of the visit, in particular to:

- Professor Anatoli Porshnev, Rector
- Professor Nikolay Filinov, Vice-Rector for International Relations
- Professor S. A. Rybkine, Deputy Director of the Office for International Relations

The University

9. The State University of Management in Moscow – SUM (*Gosudarstvennyy Universitet Upravleniya*), was founded in 1930 as Moscow Engineering-Economic Institute, though its very origin goes back to the 19th century. Until 1990, it was considered to be an “experiment” for the training of managers within the Soviet system; the main emphasis in the Russian HE in those days used to be in the ‘hard’ sciences and engineering. It acquired its present name of the State University of Management in 1998. Currently some 400 institutions in the Russian Federation provide courses and programs in the areas of management and business administration, which also means that the competition in this educational field is getting more intense. Yet SUM enjoys a good name and reputation as one of the leading higher education institutions in the Russian Federation, especially in the area of management, business, and economics education (ranked several times as number two). At present, SUM is considered prominent especially in the field of management, organizational issues of enterprises, informatics, state and municipal management, and management of innovation. SUM is also publishing a special journal *University Management*, which is becoming an important information and policy forum for Russian higher education institutions.

10. SUM is made up of twenty-six institutes and faculties with a total of seventy-eight departments, comprising of eighty-five chairs, in addition to twenty-two centers of vocational education, consultations, and research departments. The institutes offer training programs in twenty-one specialties and in sixty-eight specializations in management education. The teaching staff number some 1300, and most of them have a doctor's degree and an academic status. The faculty has also a good number of honored scholars and academicians. General features of the teacher staff are that it is aging (over half of them are fifty years of age) and the overall teaching load per teacher is relatively heavy. The University is recruiting new teachers, and some new 300 lecturers have gone through a probation period in the current decade. The teachers are also engaged in outside consultancies. The support or managerial staff numbers that of the academic staff, which apparently is a common ratio through the Russian university system.

The number of students in SUM is approximately 15,000, and over 800 students are working for postgraduate and doctoral degrees. Annually over 150 Ph.D.'s and some twenty Doctors of Science degrees are produced. The student body comprises both full-time and part-time students in addition to “external” and correspondence students. The evening departments have some 4000 students. The annual tuition paid by the paying students varies by the field and by the student category, but it is generally equivalent to several

thousand euros. Apparently the drop-out rate among the students is negligible, which indicates high study motives and commitment.

11. SUM is a state university. At present the organizational structure of the higher education system in the Russian Federation and its functioning is supervised by the Federal Agency for Education, which is a part of the Ministry of Education and Science. Within this agency state universities have only a limited amount of autonomy in matters of finance, employment, and the organization of teaching and research. Degrees are formally given by the Ministry, not by the university.

Governance and Management

12. The Scientific Council is the main governing body of the SUM, though the Rector can also yield considerable power and veto rights in certain situations. The size of the Council with 111 formal members looks excessive for an efficient management of the University, though many people sit there in double capacity, and so the actual number of persons participating is smaller - approximately seventy. There is also student participation in the Scientific Council. A smaller Academic Council also exists which serves mainly as a strategy formulating body. The size of the Scientific Council, of course, reflects the current institutional structure of the University, with relative “equal representation” of the institutes and departments, though apparently also the academic prestige issue is involved. The effectiveness of the overall management may require a smaller body, be it named Scientific Council or Academic Council, but it may not need to represent every organizational structure or function of the University. A larger senate-type body may be useful for the sake of information delivery, but the real governing and decision-making bodies in higher education institutions tend to be of rather small size and with definite powers. SUM, as a management university, may wish to analyze the situation and reorganize itself accordingly. The environment where modern higher education institutions live and work tends to be more and more dynamic and shaped by many market forces, and thus an efficient and speedy decision-making capacity becomes even more necessary. The new situation is thus very demanding on the leadership of a university, at every level of its management. Furthermore, a common observation in Europe and North America has been that administrative matters tend to consume an extraordinary amount of time from the faculty, whose efforts are better used in teaching and research and in other academic matters promoting the very goals of the university. This has been one of the reasons calling for the development of a new type of academic leadership.

13. A similar argument for the “number and size” can be made with regard to the present body of Vice Rectors at SUM. Again, in the experience of the members of the Advisory Team, universities of similar scale to that of SUM have just a few Vice Rectors, and they mostly are responsible for academic matters (such as teaching, research, technology transfer, etc.) in fields that commend strategic importance. In addition to the issues of cost and performance, it should be pointed out that SUM's Vice Rectors are

experienced teachers, and taking them out of the classroom reduce SUM's teaching effectiveness, which is one current strength of the institution (as also pointed out above in reference to the Scientific Council). Many of the current Vice Rectors' roles are occupied by professional managers in European and North American situations, e.g. in the maintenance of the campus infrastructure, financing office, etc. But the Team also noted that SUM (as any other Russian university) may not be in the best position to hire competent professional managers because of prevailing serious financial reasons and constraints. Russian industry seems to be much more competitive in this respect. But SUM itself trains managers, and one possible target in the future may also be the education of university managers. Of course this also requires an open and mobile labor market, in contrast to the common historical practice in Russian universities whereby one's career starts as a student and continues life-long to the teacher/professor or managerial level in the very same institution.

14. The data provided indicated parity between the number of faculty (teaching staff) and the number of auxiliary staff, which are mostly technical and maintenance, (not including administrators or student support personnel). There may be serious social policy considerations justifying such high numbers of auxiliary staff; however it should be indicated that many universities over the last decade or so have been outsourcing various non-core activities and services. Doing so may allow the University to save on expenditures and to reallocate resources for more central academic functions. Outsourcing the services may encounter difficulties in the present situation and present time in Russia, but it may become a profitable alternative in the future, and the University may wish to consider it at least in the long-term.

15. The last observation under the headline "governance and management" refers to the relations between the University and the Ministry of Education and Science. Russian state universities seem to be under rather heavy central control, and their leeway is mostly due to the outside money they obtain from paying student fees and from various services. However, the present universal trend in higher education management is towards more autonomy for the institutions not only in academic matters but also in how the income is spent to support the overarching strategy the University is embarking to follow. One general solution for this is the so-called lump-sum budget.

In the United States, government agencies have also been reducing the public funding of higher education. Some institutions in the United States have negotiated more autonomy (including financial autonomy) for themselves because of continued under-funding. This is a long-term issue for SUM or any other Russian university. Russian universities seem to be moving in this direction already, with the income from fee-paying students, but apparently this income base needs to be expanded. This overall situation is also commonly recognized in the European Union region where higher education institutions are considered under-funded by public monies, and they are looking (or forced to look) for other sources of financial support and income from students, industry, alumni, etc.

University Budget and Finance

16. The University had provided the Advisory Team with ample information about its financial situation, also in the context of its strategy and orientations for the future. The Rector's report was very open and it outlined the main strategic goals and also constraints, many of which are of financial nature, for the developmental needs of the University. The analyses and summaries of the revenues and expenses available extended several years back, which also gave a good picture of the ongoing trends. Also, the document *Mission and Strategy of the University* is ambitious regarding the future, but is not unrealistic; however many of the University's aspirations are also dependent on the overall developments and trends in Russian higher education policies at large.

17. The SWOT analysis produced by the University is an open and penetrating document which also provides a good basis for further developmental plans and initiatives. Thus it is important that when implementation is being discussed, particular attention should be given to involve all institutional components and stake-holders of SUM.

18. In recent years the budget of SUM has increased, at least nominally, (more than 20 percent per year), but a major part of it seems to be consumed by price inflation and by the necessary increases in staff salary levels. Apparently, the state budget covers about 20 percent of salary of the teaching staff, therefore the leadership of the University is making great efforts to supplement that component of the budget from income generated from tuition fees.

19. A more general observation can be made that the university management actually has relatively little leeway in planning and executing its budget, especially in relation to the expressed strategic goals. The purpose and use of funds provided by state is strictly regulated from above. Additionally, the overall difficult financial situation leaves little possibility for anything but a kind of survival strategy for the University. However the common expectation is that the situation should improve in the future. One must also note with deep respect, the resourcefulness of the SUM to maintain the teaching standards and academic capacity. These are also indications of the deep dedication of the SUM faculty to the University which also contributes to generally very positive views of students vis-à-vis teaching staff in general.

20. For the SUM, the federal budget makes up less than one third of the total revenue. The total for 2004 was little over 700 million rubles, which by official currency exchange is about US\$25 million (or ca. €21 million). The major part of income is fee-paying students who contribute a little over half of the total revenue; and half of that comes from full-time students. The level of annual fees students pay is well above the national average, which may indicate that the demand for the skills in the academic fields represented in SUM is high, but also that the "purchasing power" of students and their families in the Moscow region is better than elsewhere in Russia. One special

problem is that the pressure from fee-paying students is not the same in all academic fields, but rather some fields are far more popular and in higher demand than others; this is a special “market” challenge for the University.

21. There exist already programs in continued and adult education in the academic fields represented by the SUM, but there also seems to be a need to develop further liaisons with the business world and various stakeholders; one avenue to start with might be the alumni. This approach is also listed in the University’s strategy paper. In many countries, and Russia is no exception, the “lifelong learning” concept is gaining more and more importance for the overall competitiveness of the nation. The current demographic trend is of no lesser relevance and is adversely affecting the traditional student enrollment pattern. Thus, as the age spread of future university students will surely widen, this needs to be approached both as a challenge and an opportunity.

22. The Advisory Team noticed that the drop-out rate among the students is generally low, and thus the levels of revenue from paying students may not fluctuate too much from year to year. The number of students in SUM has been on the increase in recent years, and the competition for the student places seems to be extreme in all categories, which supposedly assures a high-quality student body. The Team also noted a high motivational level among the students towards their teachers, their learning, and their future careers.

23. It appears that one of the major problems for SUM will remain the issue of financing and the need to generate its own income. One apparent obstacle in its long-term strategy is the still relatively low salary level of its faculty and staff. It is clearly a disincentive for the recruitment of younger faculty, for researcher training and the development of a stronger research base, and also for an exchange of staff with Russian institutes and with foreign universities and research institutes at large. Also, the management and maintenance staff seem to be clearly underpaid, which in a way is a serious hindrance for further development of professionalism and enhanced skills among them. It has been reported to the Advisory Team that companies pay much higher salaries to SUM graduates [up to \$ 1,000 US dollars] which makes university careers non-competitive options. This very situation also shows in the management structure of the University, which seems to be relatively top-heavy. However, a remedy for this may not be fully in the hands of the University, at least in the short-term. But in the long-term, the University could look into its internal structure, because rather similar activities are being run in different faculties and institutions, and a planned consolidation could bring about considerable savings. A part of increased income derives from the increase in tuition-paying student numbers, but this cannot go on for too many years before a real ceiling is met; this fact has been already recognized by the University, which also calls for more diversification of the sources for revenues.

24. The income and expenditure for research is rather small in the overall budget of SUM, and its share has rather diminished during the current decade

if measured by purchasing power. Yet the faculty has been rather prolific in the recent years in producing numerous articles and books, though apparently the share of international publications is, and should be increasing. Of course, good research is not and cannot be treated only as expenditure, but rather also as a source of new income (including the income from overhead that is a common practice in European and the U.S. universities) and a means of keeping the teaching staff up-to-date. Good and pertinent research is also a part of the brand of any university, and it could help in building contacts and liaison with the outside world (and further, is necessary for the EQUIS accreditation). There is little reason to maintain a secondary status for research work in a university; e.g. monetary incentives could perk up the situation. However, SUM is well aware of the fact that Russian enterprises, especially the bigger ones, so far have not been keen or interested in supporting and financing research in universities, or in outside training for their staff. The situation may change in the future, but this should not be a reason for the University to stay passive. It is also worth pointing out that while for the time being the Russian small-and-medium enterprise (SME) sector is only developing now, it could also be a valuable customer in the future.

25. The above challenges envisioned for SUM apparently need some new approaches by the University itself. The SWOT analysis well recognizes that the direct contacts of the faculty with the business world and external stakeholders at large need to be strengthened. There is still an insufficient grasp within the University of the outside market situation, be it the job and skills market, consultancies, or the research market. This particular challenge for SUM is even more demanding, considering that historically Russian universities' main task has been to provide skilled manpower, while the science academies provided the research.

26. The finances make up the very nature of any university; they make up the blood stream that supplies the various parts of the organization. But we already noted that there is relatively little leeway for the University's leadership in planning and executing its strategy; both constraints from above, and also the overall severe financial situation leave for too few choices which can be executed. As noted above, a major portion of the SUM budget is consumed by salaries, which constitute a fixed expenditure. Thus for SUM, the problems lie more with the revenues than with the expenses, but of course, the two are interlinked.

27. But still, both the vision and the strategy are important, and SUM has clearly recognized this in its vision and strategy plan. A strategy will indicate, for example, in what way the University is different from others, what specific actions are needed to reach the intended targets, what the priorities are, and how much each action will cost! Thus it is also important that the University develop a means of pricing its internal structure and actions; e.g. savings which will accrue if some overlapping activities in different institutes are consolidated, or if certain new activities are planned. Without proper pricing it is difficult to set priorities.

28. Because of the very nature and the academic fields taught in SUM, observance of the market situation is paramount. The approach of SUM has been and still is rather “student-oriented,” but there is an apparent will and need towards more market-orientation. It not only helps to improve the coordination of its teaching with the market demands, but it would help in bringing in more income. In teaching and training, there are unmet needs in the society and in the business sector. The age structure of the student population will certainly shift to the older range, which requires more flexibility in the supply of training and education. New forms of M.B.A.’s or other types of training for company staff, for instance, with weekend and/or evening classes could be worth exploring, not only on the campus but also outside it.

29. Apparently both teaching and research demand more corporate contacts by the University, not only in terms of income for the University, but also in terms of the “service to the society.” The teachers need to upgrade their skills continually. So there are problems on both the demand and the supply side. There apparently is little culture for research in SUM, partly for historical reasons, but this can be encouraged in several ways, one of which being through financial incentives. Good research is often also team work. In the old Humboldtian philosophy, teaching *and* research are closely intertwined in the university. There also exist outside monies for research (e.g. the European Union has earmarked special funds for research by networks involving Russian universities and research institutes). Besides research, consultations by the faculty are also a good step towards market orientation and liaison with business and other stakeholders in the society.

30. In order to develop a sustainable culture for research, specific training for young researchers is also needed. This may not be necessary for every institute or department in the University, but already certain institutes seem to work as spearheads in this respect, and, even better, some are working in collaboration with some foreign universities. Good research usually needs networking and teamwork, preferably on the international level, and this all requires development of a cooperative culture. But good research also requires the proper infrastructure to support it in the form of contacts with the outside world (e.g. Internet, electronic libraries, up-to-date libraries, adequate laboratories, etc.).

31. Again, the SWOT analysis provided by SUM is a credible document and provides a good basis for further development of the University. Thus, the Advisory Team can be confident that the University is embarking on the right track to meet the demands of the society, of its students and stakeholders, and of the labor market.

International Co-operation

32. SUM has made successful contacts with a number of universities in Western Europe and the United States, and has built respectively very attractive joint programs. It is important that the University continue its policy to reinforce its offerings in language courses as well as teaching in foreign

languages. This should make it possible to build new bridges with Russian enterprises as well as with public and private organizations, which should also secure new revenues for the SUM.

33. The SUM is one of the vanguards in the field of management and business education in the Russian Federation, and this has been confirmed by important stake-holders, namely, by employers at the First Russian Managers' Forum which took place in Moscow in April 2005. SUM has also been involved in the development of its own internal standards, also in the context of European standards. The First European Conference on Undergraduate Business and Management Education was held at SUM in 2003. Thus, SUM can clearly state that it is the leading university in the economics and management field in the Russian Federation. This is also evident in the number of its students and graduates. SUM is also working towards qualification in EQUIS – the European Quality Improvement System, whose accreditation is awarded by the European Management Foundation, of which SUM is full member.

33. The University is well aware of the importance of improving its international visibility and does this in a variety of ways – by developing its two international studies programs, by providing both English and Russian versions of its Website, and by participating in international organizations. SUM already has an impressive list of participations and memberships in international organizations, including the International Association of Universities (IAU), European Foundation for Management Development (EFMD), and the American Management Association (AMA) among others. But the Advisory Team would also warmly recommend that SUM apply for a membership with the European University Association (EUA), and also sign *The Magna Charta Universitatum*. Furthermore, both EQUIS accreditation and active participation in the Bologna Process would enhance both the national and international status of SUM.

34. Upon specific request by the University's leadership, the Visiting Team was invited to go over the EQUIS self-evaluation report. It became clear and natural that seeking of this highly appreciated accreditation among European business education institutions should be included in the long term strategy of internationalization of SUM. But it is also clear that there are also obstacles and difficulties involved in the University attaining this quality accreditation. However, if successful, the rewards would also be great for the future of the institution.

35. The EQUIS quality standards emphasize quality criteria in the following three major areas: 1) high international standards of quality in all of the areas defined in the EQUIS model; 2) a significant level of internationalization as defined within the EQUIS model; and, 3) an integration of needs of the corporate world into programs, activities and processes. Furthermore, the Institution should have a recognized national standing, a clear mission, and in its governance should have a significant degree of control over its own destiny. As for research, the EQUIS criteria require a clearly defined research

and publications policy, through which faculty are encouraged to develop distinctive areas of expertise.

36. The above EQUIS criteria put special emphasis on internationalization and corporate relations. The internationalization includes that of the student body, including exchange programs, international placement of students, and language ability of students, among others. The internationalization of the faculty involves, among other things, recruitment of non-nationals in the faculty, ability to teach in English and having foreign language skills at large, involvement in international networks, participation in international conferences, as well as research and publications of an international nature. The requirement for the internationalization of the programs includes, among other things, courses taught in English, focus on the European and global business environments, an international perspective overall, courses jointly designed and taught with partner institutions abroad, internships and study abroad, and international learning materials.

37. The third major EQUIS criterion deals with connections with the corporate world. This requires a clear policy by the school with regard to its relations with the corporate world. It should have a strong customer orientation, and participation of the corporate community in its governance is recommended. Program delivery should have input from practitioners and give opportunities to get experience of the corporate world through internships, field work, and campus visits by company representatives. Finally, the faculty should have business experience and keep abreast of current management best practices, and also have opportunities to engage in consultancy.

38. The SUM is certainly in the best position itself to run a self-assessment as to which criteria it may satisfy and which are not yet fulfilled. But apparently in the process of internationalization and in its corporate relations it has to work hard to achieve the required standards. The results of the analyses of EQUIS candidate schools are not publicly available any more; it is only indicated whether the school has passed the accreditation or not. In this case it is advisable that SUM work to establish direct contacts with other European institutions which have successfully (or maybe not so successfully) gone through such a process in order to benefit and learn from their experiences. For instance, in Finland, two of the three business schools have an EQUIS accreditation, and the third one is also undergoing the evaluation process.

39. Also in view of the overall EQUIS criteria, the University would benefit from a periodic review of its public relations practices with regard to the Moscow area, as well as its national and international activities. Also, former graduates and alumni are certainly a good source of information about the market, the skills required and the overall trends in the business and management environment of SUM.

40. The University had prepared an informative memorandum on the action lines of the ongoing Bologna Process; the memorandum sets the priorities and interests of the different Bologna actions for SUM. The Russian

Federation is a signatory country since the Berlin summit meeting in 2003 in this international process that now (mid-2005) includes a total of forty-five countries.

41. Experience from elsewhere in Europe shows that the execution of the Bologna Process is a laborious and time-consuming task, and different countries have not yet been able to pace their national processes equally. Of course, the countries that have been involved for a longer time have also gained more experience and may be more advanced. Sometimes it is also felt that the process goes from the top-down, and thus universities need time to fully internalize their contents and purposes. Of course every country has its set of special problems in relation to Bologna, and most countries have established special Bologna committees (with membership also including academic representation) in order to deliver information and help the universities in their planning processes. The Advisory Team has noticed still a rather meager interest and understanding of the Bologna Process in SUM, both among the faculty as well as students, but apparently the situation is expected to better soon.

42. The Bologna Process, together with the possible EQUIS accreditation, would bring several advantages to an institution like SUM which is oriented towards business and management training and education. It is likely that the Russian higher education (HE) system, as any other country in Europe or outside Europe, is facing the challenges the highly competitive global market for HE. In the longer term, Russia and its universities cannot stay isolated in this respect.

43. Again, as with the EQUIS accreditation, the Advisory Team would recommend that SUM look for active partnership in the execution of the Bologna Process with other Russian universities in order to develop a mutual learning process. Also, building contacts with foreign university partners would give both new vistas and experiences that are useful in developing SUM strategically, thus making it even more successful and competitive in the Russian as well as in the international HE market.

44. The system of comparable degrees and the two-cycle degree structure would certainly help Russian institutions in attracting more foreign students from countries that have adopted the Bologna Process. As a matter of recognition of the Russian degrees abroad and vice versa; this may be a crucial factor in attracting foreign students to Russia. The academic labor market is quickly becoming more international, and Russian companies and enterprises also need managers and experts with international experience. Though internal/domestic mobility between Russian HE institutions is still almost non-existent, even small steps in encouraging mobility would help to combat academic “inbreeding” (a person staying in the same institution from the student level to the advanced degree, or even to professorship). Currently, Russian universities are still receiving plenty of students especially from Russian speaking countries, but even that mobility seems to be highly asymmetric. Another aspect promoting mobility is the credit transfer system and European cooperation in quality assurance, which are kinds of

“insurance” measures for mobility and help towards building the true European Higher Education Area (HEA). The HEA is being linked with the European Research Area (ERA), which apparently would again bring several benefits also to Russian universities in terms of international research linkages and financial support for research.

Conclusions

45. The Advisory Team of the Salzburg Seminar is grateful for the invitation to visit SUM as it provided a good opportunity to meet and discuss topics and items that are common throughout the international higher education system. In this way SUM is not alone with its problems, including its financial constraints. There is a search going on for new ways of solving the persistent under-funding of HE through Europe, though this situation is not rare even in North America.

46. The Advisory Team noted the high working motivation among the teachers and staff of SUM. Also the students showed dedication and seriousness towards their studies, be they fee-paying or non-paying students. Apparently SUM is able to attract a talented body of students, which also testifies to its good reputation and academic performance. The current administration in SUM may call for a lighter and more “flat” (less hierarchical) management structure, but as a management expert itself, SUM is in the best position to make decisions on this itself.

47. The very nature of SUM as a management education institution calls for close relations with the business world, though apparently there are still difficulties in achieving this. But the strategy of SUM is well directed and the leadership of the institution is also well aware of the challenges it is facing. The financial opportunities emanating from closer links with Russian enterprises and business should get further attention. SUM is also working towards closer international relations, which actually are very important in this age of globalization.

48. The essential parts of the international strategy of SUM are the possible EQUIS accreditation and participation in the Bologna Process. Apparently both of these are necessary for SUM if and when it wants to make a strong mark in the Russian HE field or internationally. In both cases, it would be advisable that SUM seek partners in Russia and abroad in order to learn from others’ experiences.

49. The Advisory Team wishes to emphasize that these are their observations only, and SUM and its leaders may consider how to adopt them, or not. Our mutual concern, of course, is that SUM will stay successful and competitive, and our hope is that the Salzburg Team has been able to help SUM a small bit in this respect. We are sure that the current leadership of SUM will build on the past strengths and successes of SUM and the future of SUM will be secured. It is left for the Rector and other leaders of SUM to

decide in which ways this report could be basis for institution-wide discussions and deliberations.

Visiting Advisors:

Jan SADLAK, Canada (Team Leader)

Jan Sadlak is a director of UNESCO-European Centre for Higher Education (UNESCO-CEPES) which is located in Bucharest, Romania. Prior to this appointment, he was chief of the section for Higher Education Policy and Reform in UNESCO, Paris. Dr. Sadlak holds an M.A. in economics from the Oskar Lange Economics, Academy in Wrocław, Poland, and a Ph.D. in educational administration from the University of Buffalo/SUNY, USA. In more than twenty-five years of experience in the field of higher education, Dr. Sadlak has held various teaching and research positions at universities and research institutes in Poland and Canada. He is a member correspondent of the European Academy of Arts, Sciences and Humanities – Academia Europensis in Paris, France. He was awarded a title of Doctor Honoris Causa from the following universities: *Babes-Bolyai* University of Cluj-Napoca, Romania; *Lucian Blaga* University of Sibiu, Romania; the State University of Management in Moscow, Russian Federation; and the National Technological University of Ukraine (Kiev Polytechnic Institute) in Kiev, Ukraine. He received a number of high rank academic and national distinctions. Dr. Sadlak has published extensively and is a member of the editorial boards of the leading journals in the field of higher education. He is a member of the governing boards and scientific councils of various bodies and organizations, including the Advisory Committee of the Salzburg Seminar's Universities Project and its Visiting Advisors Program.



Barbara HILL, USA

Barbara Hill is a Senior Associate in the Center for International Initiatives of the American Council of Education (ACE). She previously served as President of Sweet Briar College, Virginia; Provost of Denison University, Ohio; and Associate Dean of the Faculty at Barnard College of Columbia University, New York. Dr. Hill has served as editor of the Association of American Colleges and Universities' quarterly, *Liberal Education*, been on the Boards of Directors of the Association of American Colleges and Universities, the National Association of Independent Colleges and Universities, and the Virginia Foundation of Independent Colleges. She has also served on the Commission on Leadership Development and the Commission on Governmental Relations of ACE. Dr. Hill holds M.A. and Ph.D. degrees in English literature from the University of Washington in Seattle. She has participated in a symposium of the Salzburg Seminar's University Project and consultant visits of the Salzburg Seminar's Visiting Advisors Program to Central and East Europe and the Russian Federation.



Ossi V. LINDQVIST, Finland

Ossi V. Lindqvist was elected chairman of the Finnish Higher Education Evaluation Council from 2000 to 2003 and again for a second term from 2004 to 2007. Until his retirement in May 2004, Dr. Lindqvist served as professor and director at the Institute of Applied Biotechnology at the University of Kuopio, Finland, where he had also served as rector from 1990 to 1998. He was chairman of the Finnish University Rectors' Council from 1993 to 1997, member of the National Council for Science and Technology Policy from 1996 to 1999, and is a lifetime foreign member of the Royal Swedish Academy of Agriculture and Forestry. He was professor at the University of Dayton, Ohio, USA from 1970 to 1972. Dr. Lindqvist holds a Ph.D. from the University of Turku, Finland. He has participated in several of the Salzburg Seminar's Universities Project and Russian Higher Education Project symposia and several consultant visits of the Salzburg Seminar's Visiting Advisors Program teams to Central and East Europe and the Russian Federation.



Helene KAMENSKY, Austria

Helene Kamensky is program director at the Salzburg Seminar, where she is responsible for the development and direction of academic programs on education, culture and related issues. Before joining the Salzburg Seminar, Dr. Kamensky served as an adjunct professor of philosophy at the Institutes of Philosophy at the University of Salzburg and the University of Vienna. Previously, she was research fellow at the Institute of Scientific Theory at the Salzburg International Research Center. From 1985 to 1989, she was dean of the Faculty of Foreign Languages at Novosibirsk State Pedagogical University in the Russian Federation, where she previously served as associate professor and senior lecturer in the department of philosophy. Dr. Kamensky's area of research interest is higher education policy and management. She holds a Ph.D. in philosophy from the Department of Logic and Epistemology at the Russian Academy of Sciences, which was authenticated by the University of Salzburg, Austria, in 1993.



Schedule:

| Time | Topic | SUM Participants |
|----------------------------|--|--|
| Tuesday, April 26 | | |
| | Arrival to “Sheremetyevo-2” Transfer to hotel “Russia” | |
| 19:00 | Dinner at the hotel | |
| Wednesday, April 27 | | |
| 09:00 – 10:30 | Meeting with the Rector, Presentation and discussion of the program | Filinov, N.B. Porshnev, A.G. Starostin, U.L. |
| 10:30 – 11:00 | Coffee break | |
| 11:00 – 12:30 | Working Group 1: University Governance and Management | |
| 12:30 – 13:30 | Lunch | Rector’s and Vice Rectors’ meeting |
| 13:30 – 15:00 | Working Group 1 (continued) | |
| 15:00 – 15:30 | Coffee break | |
| 15:30 – 17:00 | Working Group 2: University Budget and Finance | |
| 17:00 – 18:00 | Return to hotel “Russia” | |
| 18:00 – 18:50 | Debriefing meeting | |
| 19:00 | Welcome Dinner | Filinov, N.B. |
| Thursday, April 28 | | |
| 09:00 – 10:30 | Working Group 2 (continued) | |
| 10:30 – 11:00 | Coffee break | |
| 11:00 – 12:30 | Working Group 3: Assessment of the University compliance with the European requirements | |
| 12:30 – 13:30 | Lunch | Rector’s and Vice Rectors’ meeting |
| 13:30 – 15:00 | Working Group 3 (continued) | |
| 15:00 – 15:30 | Coffee break | |
| 15:30 – 17:00 | Working Group 3 (continued) | |
| 17:00 – 18:00 | Return to hotel “Russia” | |
| 18:00 – 18:50 | Debriefing meeting | |
| 19:00 | Dinner and cultural program - <i>(optional)</i> | |
| Friday, April 29 | | |
| 09:00 – 13:00 | Team meets to prepare a preliminary report to the Rector | |
| 13:00 – 14:00 | Lunch | |
| 14:00 – 15:30 | Presentation of the preliminary report to the Rector and to the SUM Academic Council | |
| 15:30 – 16:30 | Press-conference | |
| 16:30 – 19:00 | Free time | |
| 19:00 | Farewell Dinner | |
| Saturday, April 30 | | |
| 9:00 | Tour to Suzdal - <i>(optional)</i> | |
| Sunday, May 1 | | |
| | Transfer to airport | |

THE UNIVERSITIES PROJECT OF THE SALZBURG SEMINAR

Universities throughout the world are undergoing systemic changes in their governance, academic design, structure, and mission. From 1998 to 2003, the Salzburg Seminar's Universities Project focused on higher education reform in Central and East Europe, Russia, and the Newly Independent States as universities in these regions redefined their relationships with governments and try to become more integrated into the global intellectual community.

The Universities Project was 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 focused 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

THE VISITING ADVISORS PROGRAM (VAP)

The Salzburg Seminar launched this enhanced aspect of the Universities Project in the autumn of 1998. Under the VAP, 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. To date, seventy-two visits have been held at universities in Central and East Europe and in Russia. The addition of the Visiting Advisors Program brought to the Universities Project an applied aspect and served to enhance institutional and personal relationships begun in Salzburg.

THE RUSSIAN HIGHER EDUCATION PROGRAM (RHEP)

In 2003, in response to the need for continued engagement, the Salzburg Seminar and the Ministry of Education of the Russian Federation initiated a five-year partnership (2003-2008) designed to promote the exchange of knowledge and best practices between the higher education leadership of the Russian Federation and their counterparts from North America, Western Europe and Central-Eastern Europe, Commonwealth of Independent States countries and Eurasia. The Russian Higher Education Program consists of two symposia per year, which take place in Salzburg and in the Russian Federation. Each symposium convenes representatives of universities, higher education organizations, service organizations, governmental structures, and stakeholders. The Russian Higher Education Program centers around five main topics:

- Russian Program of Modernization in the Context of Global Education Reform
- Higher Education Governance Reform: Issues and Challenges
- Strengthening the Role of Russian Universities in Service to Society
- Quality Assurance in Higher Education: Sharing International Experience
- Higher Education and Research (Networks, Linkages, Best Practices)

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FOR MORE INFORMATION

For more information regarding Salzburg Seminar programs, please contact one of the Seminar's offices below.

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