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TOWARDS A REAL COMMON UNIVERSITY POLICY

1. European opportunities

1.1. The weight of history

Today, we look at Europe through the prism of the last three centuries: "a tale... full sound and fury," the story of the nations of Europe. But, Europe of peoples is a region characterized by a large variety of cultures united by individualism, the Greek reason and the Jewish-Christian heritage. If the latter has been carried by the Catholic Church, the former ones have been passed by universities which were based on Greek philosophy and Roman law. Those values have emerged during the Middle-Age, thanks to the separation of Augustinian spheres that universities have successfully completed, and later, they have developed a reasoning thinking until the coming up of experimental science in the 16th century (Copernicus, 1543; Galilei, 1623).

And, willing or not, the Catholic Church has permitted, through the charters delivered to the newborn universities, and the individual freedom they have authorized for professors and students, the development of this embryonic "civil society" until its coming up during the enlightenment. From the thirteenth century, universities have created a real Europe, through the belonging of students to an expert culture "unified by Christendom, the universality of degrees and the use of Latin as a universal…cultural language, the travel experience and the meeting of someone else as an existential training."

1.2. The Bologna process

After an eclipse of three centuries (1648–1950), the European idea became incarnated into the successive European institutions: European Coal and Steel Community, European Economic Community, European Community, and now

¹ C. Verrier, *Enseignement Supérieur et Sentiment européen au Moyen-Age*. Université Paris 8, Paris 2003, p. 8.

European Union. A new "cosmopolitanism has surged in some cultural and social spheres" namely, companies, businessmen and academics. The latter have revived the tradition of a Europe of universities, "based again on exchange and collaboration between professors, and migration of students."

The European Union seems to understand the strong importance of universities in the building up of a European awareness. *ERASMUS* and *SOCRATES* facilitated the student mobility, the Bologna Process brought back the universality of degrees at the global level. It remains necessary to conceive and implement a strategy for higher education at the level of Europe. It must become a European Higher Education Policy, like the Common Agricultural Policy or the Common Environmental Policy.

2. The European model

2.1. Teaching

Among a universal model based on the American system, a mix of the Liberal Arts of the University of Constantinople (425 AD) and the University of Berlin designed by Von Humboldt (1803), now, more and more, we can distinguish a European model of universities, based on the social market economy structuring continental Europe. Taking account of the European institutions and the legal systems based on Roman law, this model rest on a European culture and a socio-institutional basement.

The mandatory foreign language(s) and study abroad in more and more disciplines creates a cross-cultural context for the Bachelor students. Also, the strong development of internships or apprenticeships in some European countries helps students in a large number of disciplines to have a better understanding of the economic world.

The European Master's degree is rather different from the American Master because almost all the students graduating with a Bachelor continue their studies in a Master program, unlike the American or British students who used to take a job after their Bachelor. In the field of management studies, where more and more American students are preparing an MBA very soon after graduating in Bachelor, the European students, after a Bachelor of business, management or economics, prepare a Master in Management or Master of Science in Management, generally specialized by functions (Marketing, Finance, H.R.M...).

The MBAs, in Europe, are only for continuing education and represents only one fifth of the total number of Master's students (90% in the U.S.A.). Even in U.K. the European harmonization is on tracks, and more and more students

² Ibidem, p. 9.

want to attend a Master's degree after their Bachelor. So, the British universities have created a Master's degree for students, called Master of Commerce, or, like on the continent, functional Masters.

From an international perspective, the difference between American and European management degrees is very significant as to their content, even though the model is the same with a Bachelor, a Master and a Doctorate degree. From a cultural point of view, the American MBA is very ethnocentric and, even though it hosts 21% of foreign students, it is completely American focused. The European management degrees are much more open to a cross-cultural approach because in Europe all the five main cultural models proposed by Geert Hofstede can be found: through the Anglo-Saxon, Latin, Scandinavian, Germanic and Slavic countries (Eastern European Orthodox), one can recognize all the diversity of the world cultures. So, mainly at the Master's level, have European universities developed programs hosting from 30 to 100% of foreign students, coming not only from Europe but even from everywhere around the world.

The European program *Erasmus Mundus* try to answer to the need of acculturating the future world elites to the European model. But, it remains too small to be significant, even though it is open to all disciplines. Another strong difference between European and American management degrees is about preparing students to business. When American MBAs remain very academic, the European Masters are more focused on the needs of companies, mixing various publics, validating professional experiences, cooperating with companies and syndicates to tailor the programs to their needs.

2.2. Research and Faculty

Everybody knows the domination of American research realized through its major publications ("A" reviews), which are the ultimate goal of the academic people of the world, whatever is the subject. But, in spite of that reality, National publications in Europe still have a significant attraction on local faculty because they remain important for their career. In fact, the American "A" reviews are the tree which hide the forest, because, in a given subject, only a very tiny number of the articles are published in those reviews and it is not relevant to the career of the crowd of all the professors of this discipline around the world, and especially in Europe where a large majority of papers are written in the local language, then published locally.

In the field of Arts and Social Sciences, an ancient and powerful European tradition, which has developed its own research methodology, has withstood the positivist approach of American research and publications. To a certain extent, the qualitative approach remains important in those fields, even in some subjects of business studies like organizational science, based on psychology, cross-cultural 210 Gilles Guyot

management based on social anthropology, socio-institutional field, based on law and political science, human resource management, based on law and sociology. Another tradition, based on the systems theory, strongly fight against the silos system implemented in American business schools. Even though there are departments in a number of European business schools, the power of the directors of Bachelors or Masters refrains the heads of silos to behave as dictators and impose an interdisciplinary teamwork. A significant percentage of the Faculty in management is fond of a holistic approach of man and then of the discipline, and this is in total opposition with the American vision.

Concerning the Faculty, some authors call out Europe to create a "Bologna for professors" which means an inter-governmental treaty to promote the mobility of professors in the Bologna area which is far greater than the European Union. The model of the "North American market" paves the way to something similar but it looks right now difficult to solve the problem of a harmonization of careers and pensions. Today, the mobility of professors in the European Union is very limited. There is also a problem of language except if those people would teach in English.

The only solution to those problems is to create and implement a new part in the European Common Social Policy establishing a" Common University Policy". It should aggregate the existing scattered elements such as research (PCRDT) student mobility (*Socrates*), and introduce goals of harmonization for the career of Professors and provide much more financing. To create a single European market for professors and students in higher education is not only a noble cause, it is the logical consequence of the "Knowledge Society" Policy set up in Lisbon. This new society is not a vague concept, knowledge has its own factories where it is nurtured and transmitted, which are called universities. If the universities, in Europe, remains part of a given country, the implementation of the Knowledge Society European Policy will require to define a European Strategy for Higher Education, and, at the level of the European Institutions, there are people who believes that a large part of the budget of the European Union should be transferred from some existing Common policies, which are too expensive and past oriented, to this new one which will be a major issue in the next decades.

It is something difficult because it is about the future of Europe and politicians are short term oriented. On top of that, among the numerous lobbies operating in Brussels, you would have a hard time finding an academic one! In the European Union, universities are almost only public organizations. Except in Germany where they depend on the *Länder*, they are under the authority of the central State and this reform will require that all the European Sate will accept to unleash their stranglehold on their universities. Then, it will require to change the European treaties, to enact new directives and have them transposed in the law of the Member States, and that will take a good number of years.

³ T. Durand, S. Dameron (eds.), *The Future of Business Schools: Scenarios and Strategies for 2020*, Palgrave Macmillan, Basingstoke 2008, p. 106.

3. The governance of higher education

3.1. The universities

The administrative supervision exerted by the Member States on their universities is something that they all have in common. It influences the governance of these organizations, but also of their Faculties, especially the most dynamic ones, those which should be their best assets to be successful in the globalization process, like the business schools.

The situation may vary from one European country to another but it would be unrealistic to imagine that the Member States would give up their supervision on universities. On the other hand, given the economic and, above all, the social context of Member States, universities would be unable to survive without the budget provided by their government.

But, besides this National financing, The European Union ought to provide a large amount of money to finance its strategic goals, in harmony with the development of the Knowledge Society, to achieve the Lisbon Agenda. This operational budget must focus on specific objectives, on given subjects, or on strategic domains like those of business schools or engineering schools. It must allow to improve the material conditions of the professors and to guarantee the emergence of a real single market. It must create a very strong incentive with the European students in order to develop the "intellectual roaming" as a decisive asset for a large majority of these members of the future elite, far beyond the poor 5% of *ERASMUS* mobility!

We can summarize the situation the following way: The States will continue to finance the current expenses of their universities but will refrain their bureaucratic practices, which paralyze the economic institutions, exhaust their leaders, and discourage their troops. The slogan must be: "for autonomous public universities, no for universities enslaved to the State". As for the European Union, it must use its money to fund strategic operations, procuring a high value outcome at an affordable cost: A clever use of the economic marginal analysis.

3.2. The business schools

T. Durand and S. Dameron⁴ consider that "the first league European business schools have a clear "catching up" stategy...They play the game by the rules... established by the US academic community." And they argue that, this "strategy is inadequate, despite the short term improvements... and necessary but insufficient in the long run." They propose a dual strategy mixing some American assets

⁴ *Ibidem*, p. 102-105.

212 Gilles Guyot

(job market for business faculty across the EU, autonomy and initiative) and European specificities (social sciences & humanities, systemic studies & holistic knowledge, non-profit management, intercultural variety). This is an adequate answer to the problems faced by the first league European business schools in their competition against the American ones. But the main difference between the two regions is that the *American Association of Collegiate Business Schools* (AACSB) gathers together 1,622 schools in the USA, of which 469 are accredited (2010), for a total number of 327,500 Bachelors, 150,200 Masters and 2029 Doctorates (2007), and the *European Foundation for Management Development* (EFMD) has 492 members (business schools (about 80% are European) of which 76 are accredited, for a number of 135,000 Masters (2010).

That means that, if the number of Master students is more or less the same, the American first league is more than six times the size of the European one. Then, the second league plays a major role in Europe. Durand and Dameron⁵ explain that: "Most European business schools from the second league are simply incapable of competing in the international area of management education and research". Such an offensive statement even stated in the most documented book on business schools today is just unacceptable because it is just completely wrong and, coming from a leader of the French first league, it shows how arrogant can be the people of what we commonly call the "France from on high".

It is important to answer them that the European first league is not representative of the situation. The European Union will never be capable to achieve the knowledge society and to compete with the American business schools without all European business schools, first and second leagues together. Clearly stated, quality does not replace quantity! The latter, mainly university business schools, are anchored on a very solid base, with a faculty with Ph.D., building facilities and a current budget paid by The government. It is important, even though it is not enough. And they can strongly increase their efficiency with some low marginal expenses, far below the budgets of the European first league and – a fortiori – the American schools. In other ways, they have a real capacity to fill correctly their duty with limited resources, because of the dedication of their personnel (and of its creativity). Their main weakness used to be the quality of their students, but it is less and less true, since, with the Bologna system, all competitors are awarding the same degrees, and the range of fees is less and less justifiable.

These European second league schools will need to become more professional and to have a more efficient governance. It will require a real autonomy of universities vis-à-vis the State power: The former French Prime Minister Raymond Barre use to say: "He who pays do command". That is why, beyond the current financing, resources may be provided by the European Union and the students. Some countries like Denmark have implemented systems that allow the reimbursement of the advance of the fees (made by the State or a bank) through a small

withholding on incomes during the active life. This is a virtuous system because, on the one hand, it gives a more competent and highly motivated faculty, and, on the other hand, better trained and motivated students.

As for the European Union resources, they must target investments, international development and chairs of excellence. The European Common University Policy must finance what the Member States cannot pay or what is out of their territorial competence. The investments required to take a part in the international competition, either tangible or intangible, are a good example, like financing some chairs of excellence, recruiting professors publishing in American "A" reviews, would be very efficient for a reasonable cost. As we have stated before, the European Union already finances research and student mobility, but with insufficient resources. And those programs are too bureaucratic ones, and would need to be under the competence of academic committees not only to select the projects, but also to define the global policy as well as the calls for projects. To replace the bureaucratic administrative supervision of a Member State by the "Eurocratic" administrative supervision of Brussels is not a solution, but is a part of the problem.

Beyond this financing problem, lies the question of autonomy. The European Business schools must be autonomous in their university, which entails that universities are autonomous. The freedom to recruit their faculty and staff is a major issue for universities as well as business schools. Of course, the sharing out of competences between universities and business schools may vary, depending upon the Member States, but they must be based on the principles of efficiency, subsidiarity and professionalism. The Master students must be recruited at the level of the business school, which must be entitled to set a minimum of guidelines for the Bachelor students.

The issue is to give to the business schools (as well as the other professional schools like engineering or law) a real strategic capacity which is a necessary requirement because of their positioning between the universities and the civil society. Even though the strategy of a business school must be in harmony with that of the university, the latter must take account of the needs of the business school in the definition of its own strategy. The business school is the scout of the university, and it must be able to choose its way in harmony with the direction given by the university.

The progress of the European civilization, since the 13th century mainly lies on the universities, which trained the managers of the States created, thanks to them. They have developed the knowledge essential to this development, trained the minds to prepare the emergence of science in the 16th century, and of the human rights enacted during the 18th century, and will give back to the European Union a major role in the knowledge society in the future.

The Common University Policy shall overcome the policies of the Member States, which are no longer at the relevant level to make strategic decisions for Higher Education. It will give back a real autonomy to the universities and their business schools for the benefit of Europe.

It will be up to the business schools and universities to use their new rights and resources to develop, at the global level, a new European model, a humanist one, less dependent on the scientist approach of American research, leading to a harmonious development of the knowledge society, condition for an appeased globalization.