Institutional and Academic Entrepreneurship: Implications for University Governance and Management

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The Implications of Academic Entrepreneurship for University Administration

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1. Introduction

Taking into account the fast changes the world is currently facing, there is a need of reformulating the main policies of the actual educational systems. The present paper will present brief descriptions of the main directions the author believes to be relevant for the modern educational systems. The key ideas of new roles of a university will be followed by an example of wide understanding of university’s tasks. The project of an International Education Centre for Students with Disabilities of Motion elaborated at the Cracow University of Economics can be seen as a sample initiative of over – educational activities of a university sensible to the needs of the society in which it is functioning.

2. The role of university governance for creating students activity

From the traditional point of view a university has to complete two main tasks:

- To feed students thoughts by presenting them a wide and precise theoretical knowledge.
- To lead scientific research in the branches covered by academic staff.

Nevertheless, when taking into account the constant and dynamic changes of the labour market it seems necessary to enlarge this spectrum by a part of practical knowledge. This could be further developed by an individual during his professional career, according to the specific needs of the occupied post.

Such an approach requires from the individual some special features, such as self-discipline and understanding of necessity of constant deepening of one’s professional skills and knowledge. At the same time the practise shows that interpersonal skills are much more likely to develop in a efficiently organised learning by doing process. The author believes that giving the student the instruments that could be used to stimulate his / her own initiative should be added as the third main goal of a modern university. In case of the Cracow University of Economics (represented by the author) the economics and management profile
Institutional and Academic Entrepreneurship and Management and its Implications for University Governance and Management

of the discussed instrument should be assured by a strong focus on the development of educational modules enhancing entrepreneurship.

The widening of the learning process by this new task requires from the University the creation of appropriate institutional backbone. Its form could be a subject of further discussion, but it is imperative that the created educational facility covers mainly the practical part of the management knowledge.

The key features a practical traineeship module should cover are the following:

- **To give an impulse** – the first step towards effective entrepreneurship countenance should be given the student by his / her university. At this level the educational programme should focus on giving the student the necessary information of how to start an own business, with strong emphasis on the psychological side of the enterprise grounding process – the student should complete this stage of education with a deep feeling that even though obstacles can occur, they can be - and they have to be - surpassed.

- **To offer specialization in entrepreneurship** – in order to provide precise and highly practical knowledge it is necessary to create a separate specialization of studies devoted to entrepreneurship only. In case of Cracow University of Economics entrepreneurship could be placed in frames of the current Economics profile as a specialization module that could be chosen once the basic economics knowledge acquired (i.e. after four semesters).

- **To organize institutions (offices)** – as the existing facilities of many universities do not fulfil the needs of a modern entrepreneurship department, the devoted infrastructure should be created. Such facilities as operational chambers or computer rooms with access to internet do not need any further evidence. Likewise some more sophisticated means such as *global trilateral networks* (private business, employees, university) could be taken into account as a perspective. The author wants to stress here the immense opportunities in the developing *tele – work* and *work on distance* field.

- **To create academic incubators** – these are physical facilities providing the young students’ enterprises all the infrastructure necessary to run businesses. Besides the facilities described in the point above the incubator should provide the students all the
secretariat services and the constant help of managerial and juridical experts. Especially the first phases of enterprise creation are characterised by a constant lack of capital and are highly sensitive to any costs. A common bureau infrastructure would help lowering the fixed costs considerably. Once the enterprise starts getting more independence its place in the academic incubator should be left for the next generation of young entrepreneurs.

3. Obstacles for use of the academic entrepreneurship institutions

When creating the infrastructure and institutions enhancing the entrepreneurship the fact that some students can face problems accessing those facilities should be taken into consideration. The obstacles are mainly due to two reasons:

- **Self – independency** – the student has not acquired the psychological features necessary for entrepreneurship. As related more to types of characters and personal features, this obstacle is hard to overcome at the university level, due to the necessity of a specific and complex psychological approach.

- **Environmental independency** – this is an obstacle faced by an important group of people with physical disabilities (i.e. of motion). A tendency to exclude this valuable group of people from the society can be observed. The argument is usually the difficulties of motion faced by them. Such an approach forbids the access to the labour market of a large group of potential precious entrepreneurs or employees. It is definitely in the gesture of a modern university to propose environmentally dependent students educational programs adapted to their specific needs. Tele – work and internet – based businesses occur again as an interesting option.

It should be one of the university’s concerns not to exclude any students searching for knowledge. Especially any exclusion based on social, racial, sexual, religious or environmental issues should be fought with all the available means.
4. The implications of students’ entrepreneurship

The university’s engagement in the entrepreneurship development process is followed by two types of implications:

- **Organisational and financial effort for the university** – the creation of the above described infrastructure as well as of educational programs constitutes an important organisational and financial effort for the university. The entrepreneurship enhancing project should dispose of an *appropriate budget*, which – at least to some extent – will be financed from the university’s means.

- **Potential multi-layer income in long run** – the exertions described above should be seen as a *long-term investment* in many areas of university’s activities. There is a high probability that the successful companies “fed” in their early stages of development by the academic incubators will show their gratitude in the future by “paying back” their *Alma Mater* in many ways. The payback could take forms of *financial support*, but also – in example – by offering the students *traineeships* or *job opportunities* in the future. Efficient alumni will also improve considerably the *image* of their university in the public and private sector. The cited positive outcome is only a part of the possible positive implications for the university.

To achieve the goals described above the university should fulfil its leading role by helping its students in accomplishing the following difficult entrepreneurship issues:

- **Planning** – before entering the realisation phase every project should be precisely planned. The student should obtain help in the business plan construction as well as in all the preparatory steps of the strategic planning phase.

- **Coordinating** – a discrete supervision of the project should be provided during the development phase of the business project. The strategic management knowledge should be available for the students from their professors always when needed.

- **Financing** – financing becomes always a main concern of the young entrepreneurship projects. Different forms of *indirect* (i.e. common secretariat), as well as *direct financing* should be available. The students should not only be constantly activated in their own search for financing, but also shown where to search for it.
5. International Education Centre for Students with Disabilities of Motion project at the Cracow University of Economics.

As an example of a modern approach to the educational tasks of an economic university a project created at the Cracow University of Economics can be presented.

*International Education Centre for Students with Disabilities of Motion* is a project giving the opportunity of multilingual studying for young people with disabilities of motion. Through a complex *entrepreneurship enhancing educational process* their chances on the aggressive work market should be *equalled* to those of regular university students.

During 3 semester post - graduate studies and 1 semester of practice at the Cracow University of Economics Academic Incubator the students will learn the methods and possibilities of *tele-work, working on distance and internet – based businesses*. The multilingual lectures will be held by Professors from associated Universities, partly in the form of teleconferences. Besides the buildings and the academic incubator, the infrastructure of the Centre will provide modern communication methods and information systems necessary for modern high – tech entrepreneurship.

Between the expected outputs the author sees the increase of the students’ competitive value by giving them necessary instruments for entrepreneurship or any other professional activity. For people with disabilities of motion, working on distance knowledge can become a fundamental possibility of equalling their chances on the work market.

6. Conclusion

In times of increased competition on global labour markets a modern university should provide its students not only theoretical, but also practical knowledge of highest quality. An important part of this knowledge should be the increase of students’ abilities of functioning as independent entrepreneurs. At the same time, no student should be excluded from the possibilities offered by modern technologies. A balanced mix between the new information technologies and the strong entrepreneurship character features constitute a set of values necessary for the efficient, successful and independent existence in the society including *all the people* that show their interest in being a part of the venturesome group of entrepreneurs.