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The Entrepreneurial University: New Foundations for Collegiality, Autonomy, and Achievement

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ABSTRACT

This paper reproduces the text of the address which the author delivered during the opening session of the 2000 IMHE *General Conference, in Paris.*

INTRODUCTION

I am enormously pleased that the IMHE Programme, led by Peter West and Richard Yelland, has dedicated this Year 2000 Conference to the topic of "Beyond the Entrepreneurial University: Global Challenges and Institutional Responses." This focus is holistic and integrative; it is forward-looking; and it is down-to-earth. The many demands and challenges of the day in themselves are not going to determine the fate of universities. Rather, how universities respond to and shape the many forces that play upon them becomes the heart of the matter. The conference properly drives home this point.

And of course I could not be more pleased that the organisers of the conference have picked up on my slim 1998 book, *Creating Entrepreneurial Universities*,[1] to set categories for panel discussions, group sessions, and case reports from diverse institutions around the world. Rare is the book in the social sciences, and especially in educational research, that receives, just two years after publication, such a concentrated international effort to critically review the ideas set forth to see whether they can be put to work. Such organized critical attention has never happened to me before in a half-century of scholarly writing, and it will surely never happen to me again. I am grateful, and I am deeply indebted.

What can I do at this point and on this occasion to move the conversation along? I want to try to improve upon my 1998 formulation and especially to spell

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out some implications of my findings for university life in the decades immediately ahead. I begin by picking up on the general problem of university transformation, as described in the book; I then review several leading ideas generated in the research, particularly to encourage others to improve upon my formulations as they put the ideas to the test of practical usefulness. If those formulations are to continue to be useful, they cannot be frozen. They need to be broken down, extended, and more clearly stated.

Then, I want to press on to two large topics that can extend our understanding of the significant outcomes of entrepreneurialism in universities. I wish to stress that when we do it right, such purposive transformation can significantly strengthen university collegiality, university autonomy, and university educational achievement. Entrepreneurial character in universities does not stifle the collegial spirit; it does not make universities handmaidens of industry; and it does not commercialize universities and turn them into all-purpose shopping malls. On all three counts it moves in the opposite direction.

Finally, I want to stress the growing importance of an entrepreneurial narrative, toward which many participants in this conference can contribute – a convincing story that depicts to university patrons and the general public what progressive universities are like as they combine the new and the old in a revised form of organisation. This narrative is much needed as a counter-narrative, one that challenges both the simplistic understanding of the university as a business, about which we hear so much these days, and the simplistic depiction of universities as passive and helpless instrumentalities whose fate is determined by irresistible external demands. Not so. Universities are much more than a business. They have unique genetic features, and they have developmental trajectories projected by their own generic trends and societal commitments. And proactive universities shape their environments as much as they are shaped by them. Using common terms, they are self-initiating, self-steering, self-regulating, self-reliant, progressive. A well-rounded entrepreneurial narrative spells out the defining characteristics, and especially the advantages, of a type of modern university that stands on its own feet in order to adapt, on its own terms, to a highly complex and highly uncertain world.

THE PROBLEM OF UNIVERSITY TRANSFORMATION

In the last chapter of my book, I posited a growing imbalance between demands made upon universities and their capacity to respond if they remain in their traditional form. The demand-response imbalance, of course, is not characteristic of all universities, but it does appear, in societies around the world, especially in public universities supported mainly by a national or regional ministry of education or education and science. The capacity to respond is limited by underfunding

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and by rigidified internal structures that were constructed in the simpler days of elite higher education. Without exploring the imbalance here any further, we can simply characterize it as a growing institutional insufficiency, attended by a growing sense of institutional inability to cope.

In attempting to bring this imbalance under control, system wide changes can be helpful. One national system after another these days is trying to lighten the burden of state regulation. Movement toward decentralization, from state to university, has increased, giving universities greater freedom to make their own way. But such change encounters much resistance. It offends the values of national uniformity and institutional equity. The old ways often come bouncing back in new forms of oversight that seek conformity to central visions and common blueprints. Examples would be new central "quality control" agencies and new assessment exercises that punish as well as reward individual universities according to how they currently score on simple indicators of teaching and research competence. Interests inside and outside of government strongly resist a much-needed differentiation; instead they want a national system to remain a system of ostensibly common universities. Unfortunately, the homogenizing, unifying approach that severely limits experimentation and risk taking causes overloaded and underfunded universities simply to become more overloaded and impaled on a base of fading funds.

In short, national systems are blunt instruments for reform. The state or other main sponsors cannot do the job of reform for the universities. Only universities themselves can take the essential actions. In a particularly sharp and acute observation made in the early 1990s, Clark Kerr stressed that:

> "For the first time, a really international world of learning, highly competitive, is emerging. If you want to get into that orbit, you have to do so on merit. You cannot rely on politics or anything else. You have to give a good deal of autonomy to institutions for them to be dynamic and to move fast in international competition. You have to develop entrepreneurial leadership to go along with institutional autonomy".[2]

What I call "the entrepreneurial response" has become a growing necessity for all those universities that want to be a viable, competitive part of the rapidly emerging international world of learning.

CONCEPTUALIZING THE PATHWAYS OF TRANSFORMATION

Easy to say, but hard to do. The critical question becomes how. If the state and other outside patrons cannot exercise the required local institution-by-institution initiative, how can universities shift to a more active mode? Here we have to become organisational analysts and look for measures pursued over a number of years that change core structures and overall cultures. This is what I was attempting to do in

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my study – to identify some major steps taken inside universities that added up to a major transformation. I focused not on small changes in teaching and research programs that become isolated enclaves, but on changes in structure and culture that added up to a substantially revised, even new, overall organisational character.

Here my challenge was to conceptualize some perceived important steps at a middle range of generalization: neither too specific or too narrow, nor too general or too broad. The five categories I introduced as pathways of transformation ideally had to be specific enough to be readily recognized by knowledgeable participants and at the same time general enough to leave behind the singularities of each institution; they should be applicable to a wide assortment of cases – first across my five cases and then potentially to other unexamined universities. I wanted to avoid generalizations that are too elegant and abstract, to shun the cloudy rhetoric, for example, of open and closed systems, resource dependency, and bureaucratic and charismatic leadership. At the same time I had to have categories that do generalize at one or two levels above the gritty, messy details of each university's complex reality. The hard decision was made to offer an explanatory framework that contained only a parsimonious five features, rather than to seek ten or twenty that would cover more ground more precisely. The laundry lists of possible explanations found at the end of so many research reports do not advance our understanding. It is better to be crisp than soggy, and to assert that a certain few things are more important than all the others.

My categories, then, were somewhat broad. One way we can improve upon their formulation is to break them down into more specific parts. I will illustrate by offering a breakdown of two of the five categories: first, the diversified funding base; and second, the strengthened steering core.

The diversified funding base

To keep things simple in discussing the financial underpinnings of the entrepreneurial university, I mainly referred to three streams or sources of income: mainline institutional support from a governmental ministry; funds from governmental research councils; and all other sources lumped together as "third-stream income." A three-fold breakdown was clear and effective in showing a shift from the first alone to all three together, where more money can be raised and increased local discretion in how to spend it is present. Such diversification of income seems essential for entrepreneurial character. A university can move ahead on desired initiatives without waiting for systemwide enactments that come slowly, with standardizing rules attached. A university can better roll with the punches, replacing a loss here with a gain there. And as a general rule it is better to have more money rather than less, provided it is raised by means widely approved as legitimate.

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But my third-stream category has many different types of sources within it. I offer three substreams based on general types of sources:

1. *Other governmental sources.* These include other departments at the same level of government as the main sponsor, for example, departments of agriculture, forestry, technology, economic development; also departments at other levels of government, for example, departments of regional and city governments. Such sources of university income offer numerous possibilities and have multiplied.

2. *Private organized sources.* These include three major sub-categories. First, industrial firms, with many sectors thereof, and important differences between large and small companies. Second, professional and civic associations that promote continuing education for their members. And third, philanthropic foundations that offer both specific funds and unearmarked funds; they range from small "mom-and-pop" foundations willing to endow a fellowship or two, or a specific room in a specific building, to giant foundations, such as the Welcome Trust in Britain, which in some areas of research can match or exceed the grants from research councils.

3. *University-generated income.* Here the possibilities include: income from endowment and investments; earned income from campus services, ranging from the hospital to the bookstore; student tuition and fees; alumni fundraising; and royalty income from patented intellectual property in which the university and specific faculty members share as co-holders.

Such different third-stream sources clearly bring different problems and opportunities and different degrees of expenditure discretion. Industrial firms want something for their money, and that something is often quite specific; university-industry collaborations involve tough bargaining over contracts, and compromises over whose interest has priority. Government departments, in turn, may offer generous, relatively unearmarked grants, or they may insist on segmental budgeting and tight accounting. But the large category here called "university-generated income" is generally the one with the fewest strings attached. Think of the high degree of discretion that attaches to endowment income. The hard decision to squirrel away some surplus income as endowment, rather than spend it next year, is a strategic decision of the first order, mirroring the choice that individuals and families have to make between saving for the future and spending now. Professionally managed income from endowment offers compound growth for years to come. Another example – turning graduates into "alumni," who contribute financially to the university year by year as well as during special fund-raising drives – is a source that offers high discretion in expenditure. Here alumni may contribute to a general fund or to specific projects that the university nominates as special needs.

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The main point is that there is no limit to the possibilities of third-stream income in its many substreams. Witness the growing contribution to universities made by regional and city governments in some nationalized systems, and the contribution of systematic alumni support now appearing in numerous universities around the world. As they used to say in American politics, a million here and a million there and soon it adds up to real money. Now, for the richest private universities, and some flagship public universities, it is a case of a billion here and a billion there. Self-reliant universities can move toward virtuous circles of income generation, replacing the vicious circles of decline in unit-cost support – provided that the government at least has the good sense not to take away yearly surpluses and punish universities for any financial success they achieve.

Let us be clear: a high degree of financial dependence on a single mainline source is a flawed way to construct a self-reliant university. The interests of government multiply and change; the support of universities can readily slide down the government's list of priorities. As in individual investment, diversification of sources is the name of the game. Why keep betting on one horse, particularly when time and again it has come up lame? Or why keep depending on one stock, particularly when it has repeatedly proved to be a "dog"? Self-reliant universities know better.

The strengthened steering core

The important element – a steering core – also contains a host of subtypes. It can take quite different shapes, but whatever its shape, it has to embrace central managerial groups *and* academic departments. It has to operationally reconcile new managerial values with traditional academic ones. All easier said than done. Among the five institutions I studied, some had stressed internal decentralization as the main road to strengthened steering: the University of Joensuu in Finland had gone a long way toward giving all power to the departments, to liberate their energies and exact responsibility very close to operations. Others stressed centralization: Warwick, with a small set of central interconnected committees that took responsibility for dividing up new and old resources; Strathclyde, with a clear-cut central University Management Group placed squarely in the driver's seat. But then the broad terms "centralized" and "decentralized" can obscure as much as they reveal. Central management at Joensuu had to learn new ways to co-ordinate independent departments; and at Warwick and Strathclyde faculty in departments learned well how to vigorously represent their own interests as they negotiated with the central groups. There is always a dialectic underway between central persons and groups representing the interests of the total university versus faculty and departmental individuals and groups responsible for the welfare of a part of the whole. We need to know much more about how enterprising universities

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work out the dialectic to give them more forward thrust and enhance their educational achievement.

The other sub-element that runs all through my conception of a strengthened steering core is the dimension that stretches from highly personal leadership to highly collective or group-based leadership. A university steering capacity can be strengthened, and often is, by strengthening particular line authority positions, those of rector (vice-chancellor, president), faculty dean, and department chair, for example. The steering core can also be enhanced, and at same time as the line positions, by strengthening the authority of groups, at the center and alongside the dean and the department head. The "I" becomes "we," as faculty interfuse with administrators. Nothing is more important than getting the authority structure working reasonably well in a proactive fashion. And nothing is more difficult than working out such a structure, keeping it on an even keel, and improving it.

What is clear is that extremely personalized forms of leadership – the dictator, the tyrant, the authoritarian figure – do not endure in universities and cannot be a permanent feature in entrepreneurial universities. Unlike traditional business firms and traditional governmental departments, the collegial forms must function strongly around personal forms of governance and generally come to be seen as dominating them, particularly at the center. Given the clout of faculty – based upon their professional expertise and disciplinary competence – the "we" has to dominate the "I." Entrepreneurialism in universities has to be seen as collegial entrepreneurialism.

We need to learn more about the precise ways that different proactive universities combine strong central direction with strong faculty and departmental steerage, and the precise ways that personal and collegial forms are combined all along the line. The "pathway" I have named as a strengthened steering core covers a multitude of subtle relationships. Those relationships are best revealed in specific case studies. We should expect the patterns to vary considerably by national and local contexts, worked out differently in The Netherlands than in Britain, for example, and differently in a relatively new, small university in rural Holland than in an ancient large university in one of the dominating cities of the country.

Similar clarification and reformulation ought to be applied also to the other three pathways I offered in the book: the extended developmental periphery, in all of its grand profusion of new forms and relationships; the stimulated academic heartland, with its well-rooted but quite varied departments that have to join the overall transformation or else it probably will not occur; and the integrated entrepreneurial culture, voiced with pride and passion, where a new point of view becomes characteristic of the entire university. About such matters we can learn from one another by examining case-study research and listening to case-by-case presentations by practitioners. At this conference, participants can move us forward

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by setting forth specific results that can be both situated in broad categories that clear the mind and suggest leads for new more complicated rounds of investigation.

THE ENTREPRENEURIAL REINVENTION OF UNIVERSITY COLLEGIALITY, AUTONOMY, AND ACADEMIC ACHIEVEMENT

The historic and well-known Harvard Business School is currently in the midst of an all-encompassing effort to center itself on entrepreneurship. The new understanding there is that enterpreneurship is not a personality type, nor is it a stage in the life cycle of an organisation. Rather, it is a way of managing, where one pursues opportunities beyond means that are currently available.[3]As part of its own transformation, the school is undertaking major risky steps: first, it has beefed up its own entrepreneurship curriculum from one or two courses offered in the mid-1980s to some 18 courses taught by 28 professors today. A required first-year class for all of its 800 students has been changed from general management to entrepreneurial management; this highlights the point that "the concepts of leadership that are important now, and are going to be important in the future, spring out of an understanding of entrepreneurship."

Second, and most interesting, the school, entirely located for a century in Cambridge, Massachusetts just across the river from the main Harvard campus, has physically opened up in effect a branch campus in the form of a research center in Silicon Valley, the heart of the new economy in the United States. Three thousand miles away, in California, the new center is planned as a place where professors will come to write up their case studies of start -ups and other entrepreneurial firms, and a place where students from Harvard as well as from the immediate region can do some short courses and engage in job-hunting.

The broad change undertaken in the school is risky. It emphasizes the preparation of students for small and middle-size firms rather than large ones, many located in the old economy, on which the school has traditionally based itself. But perhaps the risk is not so great. As put by one professor at the school, Rosabeth M. Kanter, "Big companies are dying to behave like start-ups." And setting up shop in the midst of Silicon Valley also means head-on competition with Stanford University, the intellectual godfather of the valley, which has been there since day one and has long established relationships with its many firms, large and small.

Of course, a business school is finally only a business school, not a total university: Harvard University, in all its bewildering complexity, is much more difficult to change. And the business school is a very rich school, with resources available for a major experiment open to only a few other places. So there are no lessons to be drawn straight on from that particular context to other very different ones. But I bring in this information about transformation in a powerful, successful business school to point up how much this particular academic enterprise, no matter how

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successful by traditional criteria, senses it has become stodgy, an institution that despite its power could soon be seen as an old place doing old things, while others are doing new things that are more adaptive, It is also interesting that the school felt it had to come up with a short, crisp definition of enterpreneurship – "the pursuit of opportunities beyond means that are currently available" – that played down personality type and emphasized a socially constructed, organisational effort. A decent definition, I would say, as good as any other currently available. But then we immediately ask: how? How can we, in our setting, position our organisation to best pursue opportunities? And keep, we might add, the underlying values that characterize universities.

The question of how first of all has to be answered with the cold realization that the creation of an entrepreneurial university is not a stage that can be passed through once and forever. It is a process without end. Its creation is likely to happen not as a big bang, but in an incremental, evolutionary fashion, as a flexible organisational character that can adjust and readjust with better responses to rapidly changing demands. Even in the best of circumstances, university transformation requires ongoing hard work in which demonstrable results often do not show up next year but rather in five or ten years; systematic efforts to turn graduates into supportive "alumni," for example – a good example of risk taking – may show positive results rather than deficit financing several years down the road, if it ever does.

As I have stressed, we also have to be sensitive to differences in context. Each university has to find its own specific pathways, its own specific configuration of how to bring about change. The past and the present go on shaping the future, conditioning the development of new response capabilities; no one way, no one rate of change, applies to all. It does seem that the development of entrepreneurial character is somewhat easier on the average in small universities (15 000 students or less) than in mega universities (50 000 students and over). Specialized universities are likely to find such change easier than comprehensive ones. The specialized places already have a focus and are often characterized by an engineering or business-type rationality that eases the contradictions – the conflicts – of the old and the new. But in the final analysis, all university contexts for change are local; they have to be individually figured out and responded to. If university transformation means a great deal of hard work, with uncertain outcomes, and especially with the hard work extending indefinitely into the future, then why pursue entrepreneurial action? Why set out to pursue opportunities that are beyond current resources, current means? Some universities will choose to simply remain traditional, to be old places that do old things well, whatever the ups and downs of their resource base. A few universities are blessed with money: they will try to live well until rich donors fade away or the oil money runs out. Or, short of resources, some universities will still prefer to wait for the golden goose to lay more golden eggs and pass them around. Surely (so goes the refrain) "the government" will

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have to come to its senses, realize that the universities must always have first priority, and send full funding for all the things we want and need to do. But stand-pat postures are clearly an unattractive alternative for an increasing number of universities who have learned the hard way that no one else is going to save them and give them the many capabilities they will need to prosper in the environments currently unfolding. Like democracy, university entrepreneurship can be unattractive until you consider the alternatives. Doing nothing poses very large risks.

Fortunately, a positive case can be put quite strongly. The kind of progressive, self-reliant university we are defining at this conference is not, in so many cases, merely a road to survival and viability, but it is also a way to reinvent university collegiality and university autonomy, and finally to enhance university achievement. What follows is a brief look at these three highly desirable outcomes.

The reinvention of university collegiality

Let us not fool ourselves about the glories of collegiality in traditional universities. Traditional universities have, for a long time now, been multiversities, even conglomerate gatherings or holding companies, of large stand-alone faculties in such disparate areas as law, medicine, science and technology, humanities, arts, pedagogy, architecture. These faculties, because they have grown very large, do not pull together to operate as a *university*. They offer their own programs, hire their own faculty, and go their own ways. The so-called university is then a united place in name only: it has little material integration.

And those who claim that traditional universities are characterized by a collegial spirit that is disappearing in entrepreneurial universities have made collegiality into a defensive ideology, one that is biased in favor of the status quo, even the status quo ante. Oh how warm were the relations of faculty with faculty, students with students, and faculty with students in the good old days when there were just the few of us! But if those days ever existed, they have disappeared as universities have grown enormously. The growth I speak of came from both student expansion and knowledge growth.

The task before us is to rebuild a collegial spirit within departments and faculties, and especially in the university generally. We must put it to work in the service of making hard choices. Here the joint participation of faculty and administrators in a strengthened steering core is crucial. Collegiality looks to the future and becomes biased in favor of change to the extent that faculty are involved in institutional transformation. Collegiality then promotes a collective sense in the faculty that "we" are responsible for the choices made and the achievements realized. The campus culture becomes integrated around a sense of joint effort. As that culture deepens, it exudes passionate attachment to the institution. An inclusive belief can even become an organisational saga, an embellished account of successful

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striving. When the University of Warwick can speak proudly of "the Warwick Way," and faculty there tell of how pleased they were to leave their former stodgy universities where nothing got done – and morale was very low – to come to a place where problems are turned into opportunities" and the whole institution has a sense of self-directed forward motion, then collegiality favors change, not the status quo or status quo ante.

That type of forward-looking spirit was also evident at the other institutions I studied: at Strathclyde, in the publicly asserted "Strathclyde phenomenon"; at Twente, in a multisided public definition of the Twente difference; at Chalmers in Sweden in an assertive definition that it was unique, different in character from all other Swedish universities, and proud of it; and at Joensuu, in a deep sense that the place both had to hang together and also to exploit several competitive advantages if it were to prosper. The importance of a rebuilt collegiality in the process of university transformation cannot be overestimated.

The reinvention of university autonomy

The last half-century of university development has been hard on university autonomy. Under the steady pounding of student expansion and knowledge growth, higher education has become many times more expensive; it has become a big-ticket item in government allocations. Government officials and the general public have become more concerned about getting something in return for all that money. Everywhere, the idea of holding universities accountable has come to the fore, and one central mechanism after another has been created in the name of enforced accountability; this puts a very large dent in university autonomy. But since top-down close surveillance does not work very well around universities – it is full of unanticipated and undesired effects, and boomerangs quite readily – many governments have in the last decade begun to back away, and have even encouraged universities to adopt somewhat more autonomous postures.

But how do we handle autonomy? A university can become formally more autonomous but in a passive fashion. How sweet it is now that government is more willing to leave us alone! Let's continue to do what we traditionally have been doing. I would rather recall the Kerr formulation mentioned earlier; it seems much the more appropriate one. Universities need autonomy but they also need to develop entrepreneurial leadership to put that autonomy to effective use. Active autonomy is very different from the passive type. Do not plead for autonomy unless you intend to exploit it to make your university a much better educational institution.

The five pathways I identified contribute to the building of proactive autonomy, from the diversified funding base to the gradual development of a wrap-around entrepreneurial culture. The mechanisms that build self-reliance and a

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collective awareness of forward-looking character are means of reinventing that active autonomy. The university that is able to substantially stand on its own feet and to steadily make hard choices that determine its own future is truly an autonomous university. How much better to go this route, with all the hard work involved, than to remain a non-autonomous state dependency or a university only capable of sitting in a passive autonomous position, missing out on new opportunities and drifting with the changing tides of societal interest, and waiting for directions to finally come from others.

The entrepreneurial reinvention of university achievement

Collegiality and autonomy are finally means, not ends in themselves – means to the end of building a university capable of greater achievement. What, finally, would be the kind of educational returns we might expect?

Certainly, universities enhance their educational returns by developing the capacity to do basic research *and* applied research *and* applications-generated research. The old line between basic and applied research has been blurring in recent decades; the one contributes to the other on a two-way street. So many new research centers in the developing periphery add additional connecting competencies that brings in outside definitions of important research problems not primarily discipline-driven. In this third form of research orientation, the transfer of knowledge turns out to be a fruitful two-way street from outside firm or non-profit lab to the university faculty as well as from the university to the outside world. Adaptive universities are busy forming new "knowledge coalitions" with other centers of knowledge in society. Entrepreneurial universities structure themselves to enhance research achievement.

Second, these praiseworthy institutions contribute strongly to achievement in teaching and student learning. If to be up-to-date in biology or chemistry – or in a host of interdisciplinary fields – a change in the department curriculum is needed every two or three years, the self-steering university has the will and the mechanisms to make such changes. Universities have a terrible problem of keeping up with rapid change in knowledge in one field after another. Beyond awareness of the need to change what is taught must lie the organisational steering capacity to make the desired changes come about. Organizational sleepiness becomes more costly: snooze away for a decade and you become an outmoded institution. Entrepreneurial universities know this and do not allow it to happen. They make the changes, department by department, that mean up-to-date teaching and up-to-date student learning.

Again, all this is easy to say but hard to do. For there are old bundles of knowledge that need to be carried forward, even as new bundles and new approaches are brought in and given effective homes. Especially in comprehensive

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universities, ones that reach from science and technology to humanities and fine arts, collegial organisational units have to decide how much history, classics, literature, political science, and sociology are to be maintained, strengthened, and projected into the future. Some of the fields poor in revenue, such as history and classics, have to be subsidized by heavy teaching loads for their faculties or cross-subsidized from institutional resources brought in by the resource-rich fields – or usually some combination of the two. The maintenance of key traditional fields, with a judicious blending of new and old ones, is so difficult that it tests the limits of collegiality. But it is absolutely necessary that it be done, lest a good part of the intellectual heritage of a university be allowed to fall by the wayside, more by neglect than by plan. The university that builds strong mechanisms for making hard choices, and makes them stick, is highly advantaged in having an overall capacity to show universitywide achievement.

Entrepreneurship, then, is not a management posture that serves only new ventures in science and technology; it operates throughout the university. Its remit includes the protection of traditional fields necessary for a high level of competence. Entrepreneurial transformation not only builds new foundations for collegiality and autonomy, but also new foundations for sustainable achievement across the many fields of research, teaching, and student learning that a particular university encompasses.

TOWARD AN ENTREPRENEURIAL NARRATIVE APPROPRIATE FOR THE UNIVERSITY WORLD

I mentioned at the outset that I wanted to conclude my remarks by stressing the importance of an entrepreneurial narrative – an affirming, convincing story that depicts to university patrons and the general public what modern progressive universities are like as they combine new and old practices in a revised, up-to-date form of organisation. We need this narrative to explain the difference between entrepreneurial and traditional universities. We need it as a counter-narrative to all the accounts that depict universities as helpless victims of irresistible external demands. And we can use it particularly to respond to all the accounts that basically liken the university to a business. We constantly hear calls to clarify the goals of a university by means of an initial simple mission statement that in a magical fashion will guide all subsequent actions; we constantly hear calls for the pursuit of economic rationality by means of efficiency and accountability under centralized management. All such calls are much modeled after simplistic conceptions of what business firms are like.

Toward the much needed entrepreneurial narrative, I want to offer a half-dozen thoughts that may serve as organizing ideas.

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1. *Universities have a unique core.* Universities are based on fields of knowledge – disciplinary subjects, interdisciplinary subjects, transdisciplinary subjects. Each field is organized as a grouping of professionals that extends across many universities and proceeds as a self-regulating "going concern" in its own right, be it physics or economics or history. The university's disciplinary base shapes everything the university does. Traditional or entrepreneurial, old or new, the university is thereby turned uniquely into a bottom heavy form of organisation. The work does not get done unless the various local academic tribes do it. Chemistry in a given university is as the department of chemistry does; history is as history does. All research, teaching, and student learning is localized; it is not done in the amorphous university, but rather department by department, and in groupings thereof, by professional staff whose training, orientation, skills, practices and loyalties vary widely. The university is organized around "thought collectives". It is dependent upon a range of "academic tribes" that uphold varied "academic territories".[4]

2. *The unique core of the university requires substantial collegial participation.* Since groups of professionals are in charge of the basic units where the work is done, faculty expect to be in charge of decision making in departments, and in the larger faculties that group departments, and to have a significant voice in decision making at the center of the university. That expectation is rational in that the different clusters of faculty hold the expertise required for production. In traditional and progressive universities alike, how faculty participates in the authority structure is a fundamental consideration.

3. *The central characteristics of bottom heaviness and expected collegial influence have a strong downside in an age of great growth, multiplying demands, and a rapid rate of change.* As decisions become lost in a welter of committees and in ambiguous relations between levels of organisation, traditional universities become relatively slow moving, resistant to change, and devoted to the status quo. Patrons and other outsiders then have good reason to see universities as stodgy, as not sufficiently alert and adaptive, and ill-positioned for an age of fast change and high uncertainty.

4. *Some universities seek a new posture for responsiveness to changing demands.* They seek an overall capacity to more quickly make decisions and implement them, a capacity to better steer themselves. They move to become more progressive by becoming more self-reliant. As they seek to innovate, they adopt in effect a progressive manifesto. They even adopt in many cases the label of "entrepreneurial university" as a comprehensive concept for highlighting their difference from traditional universities unable to escape

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the constraints of rigidified practices and the homogenizing effects of state planning.

5. *The concept of the entrepreneurial university becomes the umbrella idea under which we speak of the self-steering, self-reliant, progressive university.* This umbrella conception stresses a forward-looking orientation, a willingness to seek out the new frontiers of knowledge. It stresses that the university is engaged in the pursuit of opportunities beyond means that are currently available. It stresses that collegiality need not by limited to defense of the status quo, but that collegial as well as personal forms of authority and leadership can be sources of adaptive behavior and thereby linked to change.
6. *Under the concept of the entrepreneurial university, we stress the agency of those inside the university whose actions decide university responses.* We emphasize neither state nor market – neither state-led or market-led coordination of university affairs. Instead we stress professional coordination by faculty and administrators who operate with their own norms of responsibility and accountability. As a fleshed-out normative community, the entrepreneurial university becomes an organisational version of civic society, one that mediates between state and market rather than be dominated by either.
7. *Toward the effective exercising of that agency, the university learns anew how to build encompassing interests and encompassing capacities that underpin a strong university identity.* The entrepreneurial university cares deeply about its distinctiveness. It seeks a role of its own in regional, national, and international arenas. It learns that a unified identity and a unified public reputation are a priceless asset. It utilizes a rugged identity as a foundation for renewed trust between the individual university and society.

CONCLUSION

As the twenty-first century unfolds, the entrepreneurial university will increasingly fit the temper of the times. As it seeks opportunities beyond means currently available, it brings in new forms of knowledge, new types of students, new labor force connections, new problem-solving skills for government and the economy. At the same time, the entrepreneurial university maintains continuity with the past and present; it preserves and updates old fields of study at the core of the university heritage. Most of all, the entrepreneurial university provides new foundations for the rebuilding of internal collegiality and external autonomy. It finds ways to integrate its many disparate parts around the assertion of a distinctive character.

Progressive, self-reliant universities – the type this conference focuses on – Milton Keynes, England, will play a central role in competent national systems of higher education. They will add to the diversity of the system, its competitiveness,

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its openness, and its adaptiveness. They will provide a way to simultaneously expand choice and enlarge merit. Let us learn from each other within our own countries, and also across national boundaries, how this particular type of university manages to turn its major problems into greater educational achievement.

Notes

1. Clark, B.R. (1998), *Creating Entrepreneurial Universities: Organizational Pathways of Transformation*, International Association of Universities and Elsevier Science, Paris and Oxford. See also B.R. Clark, "The entrepreneurial university: demand and response", *Tertiary Education and Management* (1998), Vol. 4, No. 1, pp. 5-16; and B.R. Clark, "Collegial entrepreneurialism in proactive universities: lessons from Europe", *Change* (2000), January-February, pp. 10-19.
2. Clark, K. (1993), "Universal issues in the development of higher education", in J.B. Balderston and F.E. Balderston (eds), *Higher Education in Indonesia: Evolution and Reform*, Center for Studies in Higher Education, University of California, Berkeley, pp. 19-35.
3. "California Dreamin': Harvard Business School adds Silicon Valley to its syllabus", *The New York Times*, June 18 2000, Section 3, pp. 1-16.
4. Becher, T. (1989), *Academic Tribes and Territories: Intellectual Enquiry and the Culture of Disciplines*, The Society for Research into Higher Education and Open University Press, Milton Keynes, England.

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