

## Linking higher education and economy – Reflections on the role of doctoral studies

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**SEMINAR: *PROMOTION OF DOCTORAL STUDIES***

**Mostar, Bosnia and Herzegovina**

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## Reinhard Millner

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- **Research and Teaching Associate at the Institute for Organisation Studies and Organisational Behaviour, Nonprofit Management Group**
- **Academic Degrees in Business Administration and Economics at Wirtschaftsuniversität Wien, in St.Gallen and London**
- **Previous occupation at the International Studies Center of Wirtschaftsuniversität Wien, responsible for the development and coordination of several projects and international academic cooperations in Central and South Eastern Europe.**
- **Visiting Scholar at the Stockholm School of Economics in 2008**
- **Teaching: Organisational Behaviour, Leadership, Project Management, Social Entrepreneurship, Evaluation, Nonprofit Management**
- **Research Interests: Philanthropy, Social Entrepreneurship, Social Return on Investment, Nonprofit Management, Managerialism in Organisations**

## WU Vienna University of Economics and Business



The practical relevance of WU's programs, resulting from WU's close cooperation with the business world, is only one of the reasons why the Financial Times has ranked WU among Europe's Top 20 Business Schools



WU has over 200 partner universities throughout the world and acknowledged expertise in a number of fields, including East-West business  
Internationally accredited (EQUIS)



Its wide range of academic courses and programs as well as the international orientation of its teaching and research have made WU a renowned center of knowledge in many key fields of business and economics

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## WU key facts

### Students

- 24,000 students
- more than 50% female students



### Faculty

- 459 (including 85 full professors)
- Administrative staff: 499
- 337 adjunct faculty



### International

- 200 partner universities
- 23% international students from 106 nations
- 727 incoming exchange students
- 698 outgoing exchange students
- 6 WU summer universities



### Resources

- WU revenues: 107.8 million EUR
- Premises: 155.910,29 m<sup>2</sup>
- WU library stock: 807,369 books



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## Higher education sector in Austria

- Long tradition of public universities (since 1365): 22 institutions and 240,000 students in 2009
- WU second largest university in Austria
- Since 1993: Universities of applied sciences (20 / 33,000)
- Since 2003: Private universities (12 / 5,000)
- Open university access and no tuition fee for public universities as central characteristics of the Austrian higher education sector
- Radical change in programs due to Bologna process



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## Balkan Case Challenge



- Linking higher education and economy projects
- International case study competition and recruitment event for excellent students with focus on South-Eastern Europe



- Participation of 11 SEE countries (Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia) and Austria
- 600 students from whole SEE and Austria compete in sub-competitions across 4 different disciplines
- 140 best students from 12 countries compete in the finals



- Companies are offered the opportunity to get to know and to establish contacts with high potentials from South-Eastern Europe and Austria
- Recruitment events and job fair, Career Day South-Eastern Europe, CV database, jobs & internships

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## BCC & linking higher education and economy

### General idea and starting point

Introducing the case-study method should provide students with specific qualifications employers look for:

- Practice-oriented abilities
- Presentation skills
- New ways of learning
- Analytic and critical thinking
- Creativity
- Problem solving
- Collaboration in a team
- Improve their communication ability
- Real-world situations in the classroom
- Application of theoretical knowledge

Other forms of bridging theory and practice?

Forms of cooperation between academia and business?

Three levels:

- University
- Faculties
- Classroom/ Teaching

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## Stages of collaboration

STAGES OF THE COLLABORATION CONTINUUM			
Dimensions of Collaboration	Stage I Philanthropic	Stage II Transactional	Stage III Integrative
Level of Engagement	Low		High
Importance to Mission	Peripheral		Central
Magnitude of Resources	Small		Big
Type of Resources	Money		Core Competencies
Scope of Activities	Narrow		Broad
Interaction Level	Infrequent		Intensive
Trust	Modest		Deep
Managerial Complexity	Simple		Complex
Strategic Value	Minor		Major

SOURCE: Adapted from Austin, James E. *The Collaboration Challenge* (San Francisco: Jossey-Bass, 2000).

### Implications:

- Interaction with universities directly – positively or negatively – affects companies' business success (employees, knowledge, public perception)
- Integration of practice-oriented measures is a two way process
- Continuum from mere sponsorship to integrative interaction
- Takes resources, but not necessarily only money: Mostly time and commitment
- Win-win situation for both parties
- Caveat: Fit of mission of university and strategy of company

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## Impact & functional chains



- What's the university strategy and positioning?
- Objectives, resources, scope of activities, possible interaction level
- Money matters – but it's not the final driver ...
- Freedom of research as a general principle of the academic world

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## Common interests

### Students

- Employability
- Learning opportunities
- Contact with practitioners and future employers

### University

- Access to the field & establishing contacts
- Reputation (rankings)
- Sources of funding

### Business

- Recruiting
- Employer branding
- Knowledge renewal

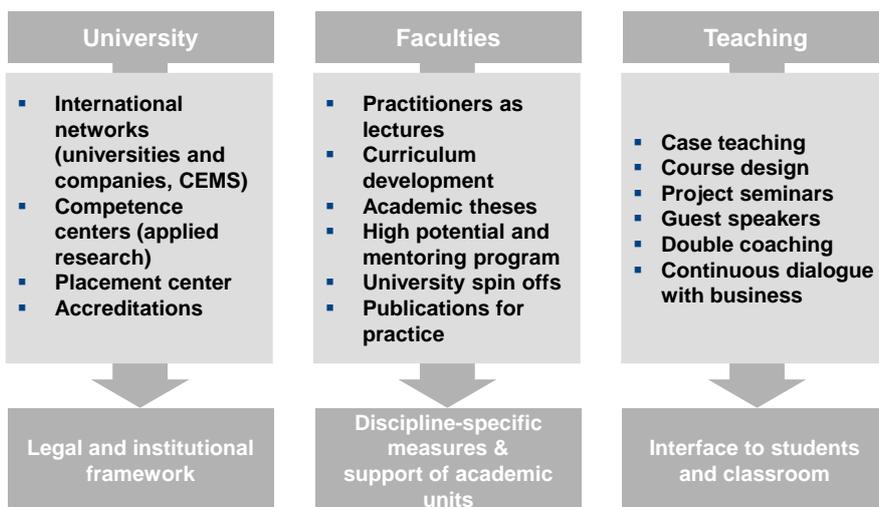
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## Three level of linking academia and practice

<b>University</b>	<ul style="list-style-type: none"> <li>▪ Higher education sector as subsystem of society</li> <li>▪ Freedom of research agenda</li> <li>▪ Innovation fosters economic growth and development</li> <li>▪ Linkages to labor market</li> </ul>
<b>Faculties/ Institutes</b>	<ul style="list-style-type: none"> <li>▪ Provision of education</li> <li>▪ Research based teaching</li> <li>▪ Curriculum development</li> <li>▪ Linkages to companies and business world</li> </ul>
<b>Classroom/ Teaching</b>	<ul style="list-style-type: none"> <li>▪ Courses</li> <li>▪ Transfer of knowledge</li> <li>▪ Interface to students</li> </ul>

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## Linking HE and economy on three levels



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## Agenda

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### 1 Introduction

### 2 Focus: Doctoral Studies and Linkages to Economy

- Doctoral Studies at WU
- Trends in Academia
- Discussion

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## Doctoral Education at WU Wien

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- Old Curriculum:
  - Two year doctorate in social and economic sciences
- New Curricula:
  - Three year doctorate in social and economic sciences
  - PhD Graduate School (in Finance)



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## “Master-Apprentice” Model vs. Graduate Schools

- Early researchers, not students in the classic sense
- High number of external Doctoral candidates
- High Drop Out Rate

### Bologna Process Logic of the Academic Field



- Structured PhD Programs
- Shared supervision
- Inter- and Transdisciplinary approaches
- Taught elements
- Groups of Researchers and PhD candidates
- Graduate Colleges
- PhD as full time job

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## Academy–Practice Divide with Doctoral Education

- Doctoral education in business is almost exclusively focused on the needs of future academic staff
- Differentiation of doctoral degrees
- One response to the growing demand for a practitioner-oriented doctoral education is the rise of Doctorate of Business and Administration (DBA) Programs

### Doctor of Philosophy (PhD)

- PhD research needs to make a significant contribution to theory

### Professional doctorates

- The DBA differs from a Doctor of Philosophy (PhD) because of its increased focus on the application of knowledge, in addition to the development of that knowledge.
- DBA research is expected to contribute to both theory and practice



See also James C. Lockhart; Ralph E. Stablein (2002)

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## PhDs as Employees outside of Academia

- Ph.D.s are prepared to do certain things, but not for work in any particular sector
- Preparation for jobs or careers, in the sense of particular and specific training, occurs rarely
- This is quite different for most masters programs, where the needs of the profession shape the majority of programs, and students are specifically prepared for professional practice
- With few exceptions, however, employers of Ph.D.s assert that this is not the only thing they are looking for, and that opportunities to function as an independent investigator are increasingly limited
- Ph.D. does not always match up to the needs of a career outside research in academia or in an industrial research laboratory



See also Doctoral Education: Preparing for the Future, Jules B. LaPidus (1997)

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## Linkages between Doctoral Education and Economy

### The Role of Companies

- Funding institutions (Graduate Schools, Scholarships)
- Unit of analysis (Macro, Meso, Micro Levels)
- Gatekeeper: Companies collect a huge amount of data
- Provider of Infrastructure (e.g. natural sciences)
- Receiver of scholarly knowledge
- Employers of PhDs



### The Role of PhDs

- Offspring for Academia
- Employees for Companies
- Usually in knowledge intense industries, (e.g. consulting, investment banking, R&D Labs etc.)



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## A first résumé and lots of questions

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- Many more linkages between HE and Economy on Bachelor and Master level
- Master Level Education seems to be sufficient for most of the industries
- PhD Education tends to be for the academic field only (“publish or perish”) – is the ivory tower back again?
- What can PhD Education contribute to Economy and greater society?
- Aren't we in need of a definition of the added value in PhD Education for business?

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## Linking higher education and economy – A focus on doctoral studies

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