

5-RE Strategy

Strategy of the
Faculty of Management
University of Warsaw

(Revised May 25th, 2014)

Strategy of the Faculty of Management, University of Warsaw

Purpose of this Strategy Review

Building on more than 40 years of history, and coming from a preeminent position in the Polish market, there is a strong need now to make a determined step forward if leadership in Poland is to be maintained, new domestic and international opportunities are to be grasped, and rising competition from other management schools outpaced. The management education market is shifting not only in Poland but in the CEE neighborhood as a whole, as well as globally. As in any other dynamic institution, change must be guided by strategy, and projects designed to improve one or other activity or process must be undertaken within an overall strategic frame.

This document sets out to provide this framework and is in two broad parts: Part A describes the current situation; Part B the path to the future.

A. "Today"

- I. Background
- II. Current Activities
- III. Strengths and Weaknesses

B. "Tomorrow"

- IV. The Changing Market: Opportunities and Threats
- V. Mission and Vision for the Future
- VI. Strategy for the Future
- VII. Ten Strategic Initiatives
- VIII. Implementation
- IX. Short and Long Term Success Measurement
- X. Timetable

A. “Today”

I. Background

The Faculty of Management at the University of Warsaw was originally established as an “Institute” of Management in 1972, and took the right of an independent Faculty within the University already in 1977. It was the first true university-level management school in the so-called “communistic block”.

The Faculty of Management is embedded in the largest and leading university in Poland – the University of Warsaw – founded in 1816. The University, located in the capital city, has educated the Polish political, administrative and business elite, as well as numerous students from abroad, for over two centuries, and holds a strong position and reputation in research as well as education. It maintains close connections with the scientific, political, and business world. The history of the University mirrors the history of Poland itself, and is widely recognized in national rankings as the premier University in the country. Benefiting from the strong reputation of the University itself, but also from its own internal development, the Faculty of Management (FoM) has gone from strength to strength over the last four decades. The following section describes in some detail where FoM now stands, and the foundations which are in place for the next phase of development.

II. Current Activities and Strategy

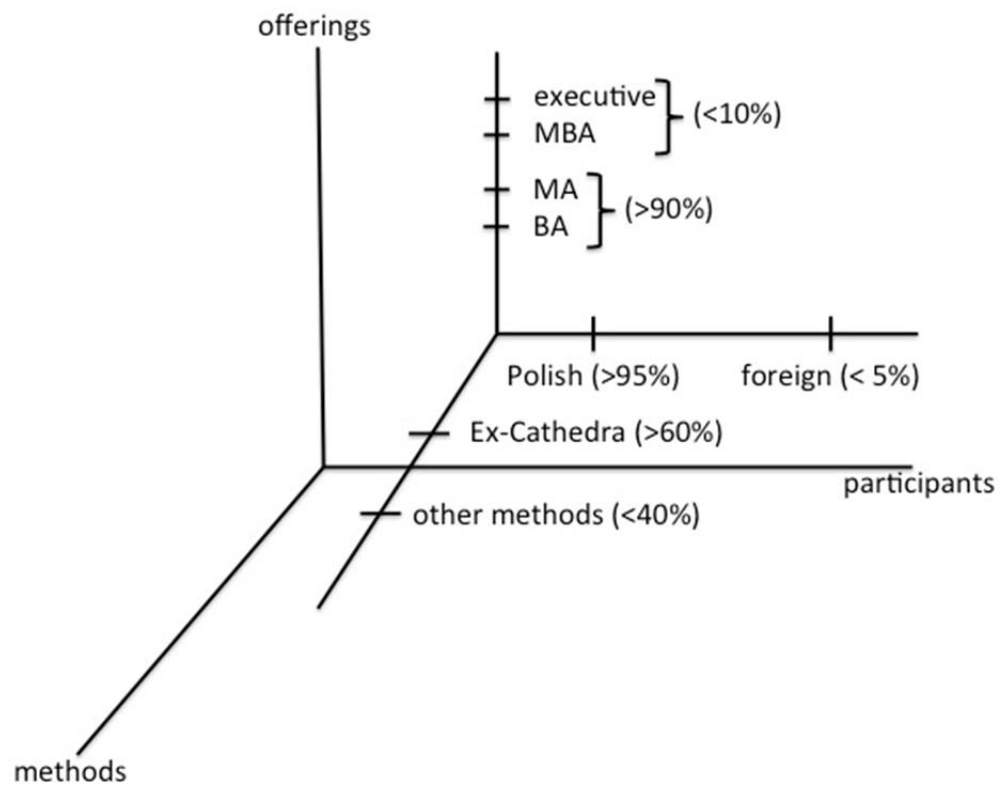
FoM’s current strategy can be summarized under the five usual strategic headings:

1. Its business definition (for both educational programs and research) in terms of the scope of ‘who’ is targeted, ‘what’ is offered, and ‘how’ it is provided.
2. Its positioning in terms of the relationship between perceived value and price
3. Its focus on particular segments and their needs
4. Its basis for differentiation from competitors, and the USP (Unique Selling Proposition) used in communications and understood by its customers
5. Its objectives at two levels: first, with respect to the University as a whole (cash user, cash provider, or self-financing); and second, among internal activities within its own program and research portfolio

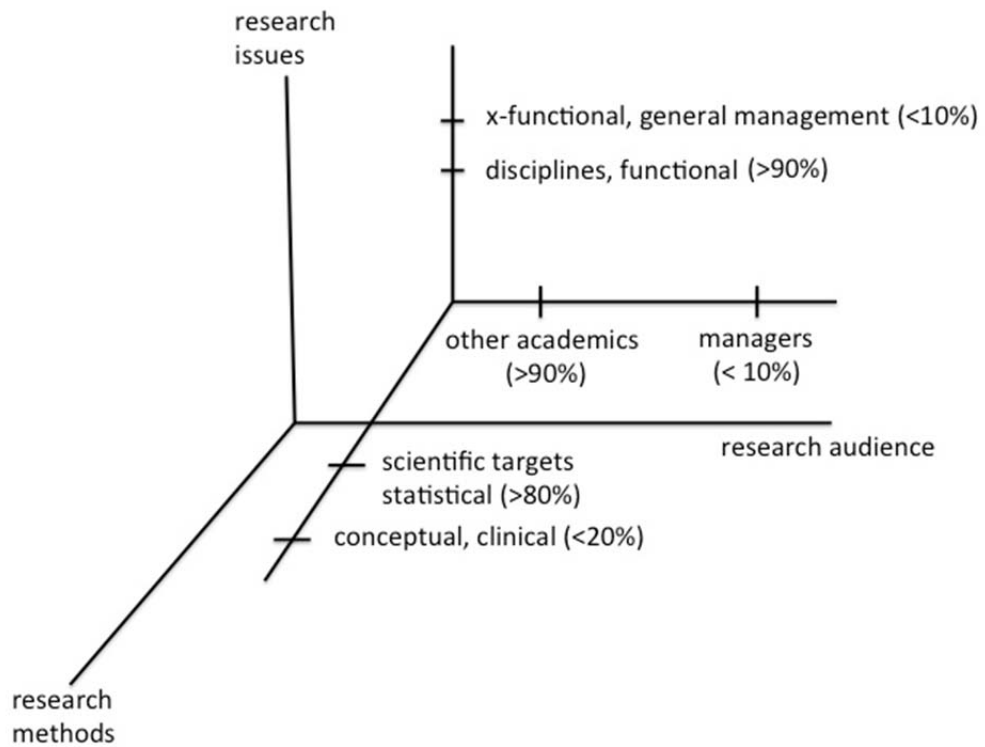
These primordial elements of current FoM strategy may be expressed in diagrammatic or text form as follows:

1) "Business definition"

- a) Educational Programs: The vast majority of students are Polish, in "student" programs rather than executive programs, and taught by ex- Cathedral rather than participant centered learning methods.



b) Research: The majority of FoM research focusses on underlying disciplines and functional issues, rather than cross-functional or general management issues; it is aimed at an academic, more than managerial, audience; and research approaches tend to be more "scientific" and statistical, rather than conceptual and "clinical" (little use of cases as research instruments for example).



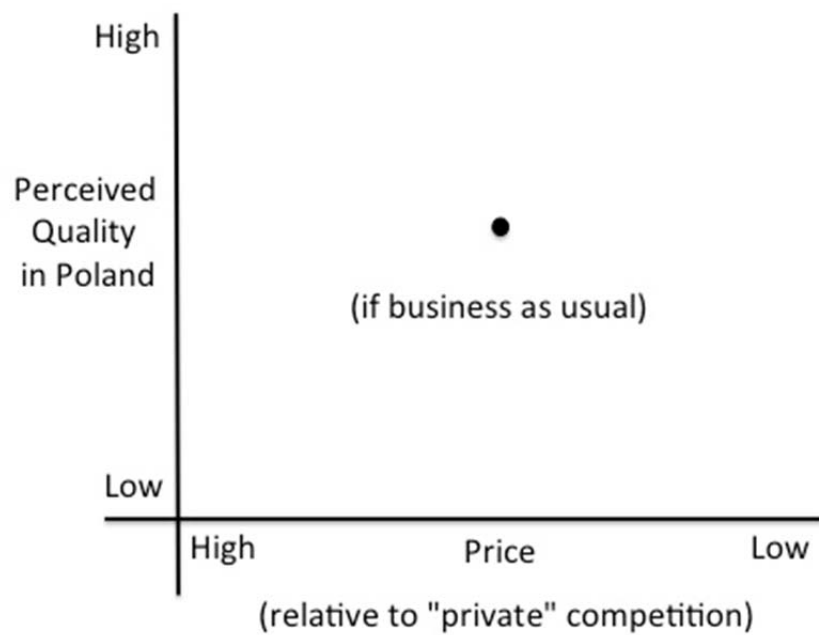
c) Far higher attention to “delivery” than to program marketing



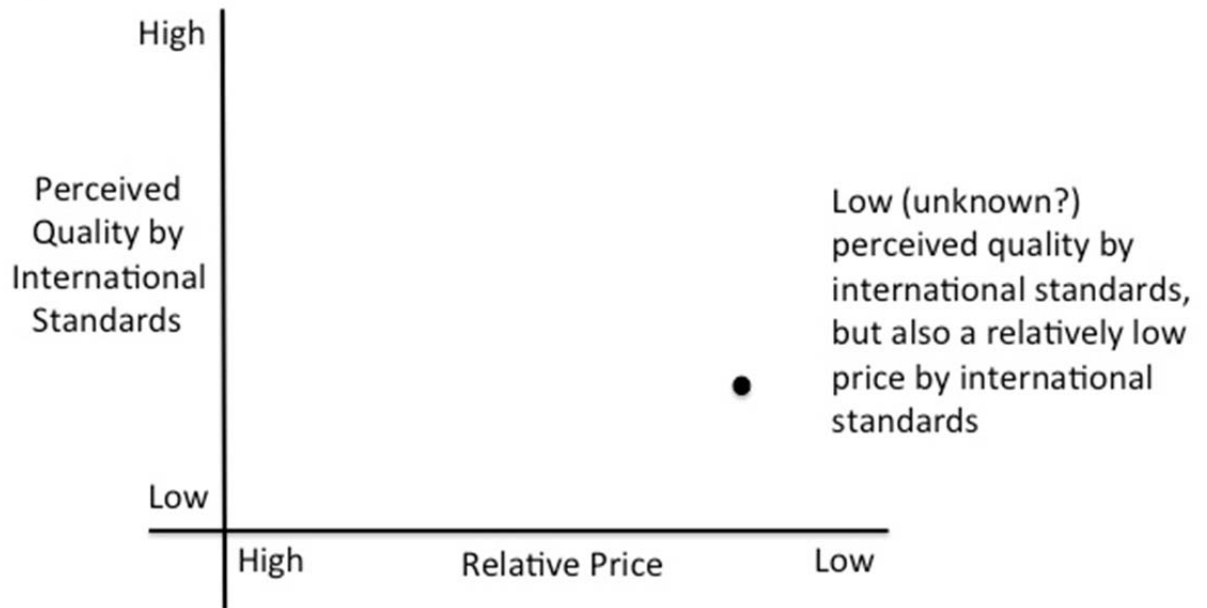
2. Positioning

The "Price/Perceived Quality" relationship differs substantially between Polish and international markets, and quality perceptions may be falling as more mature and experienced students in part-time programs seek practical relevance as well as "scientific" "rigor".

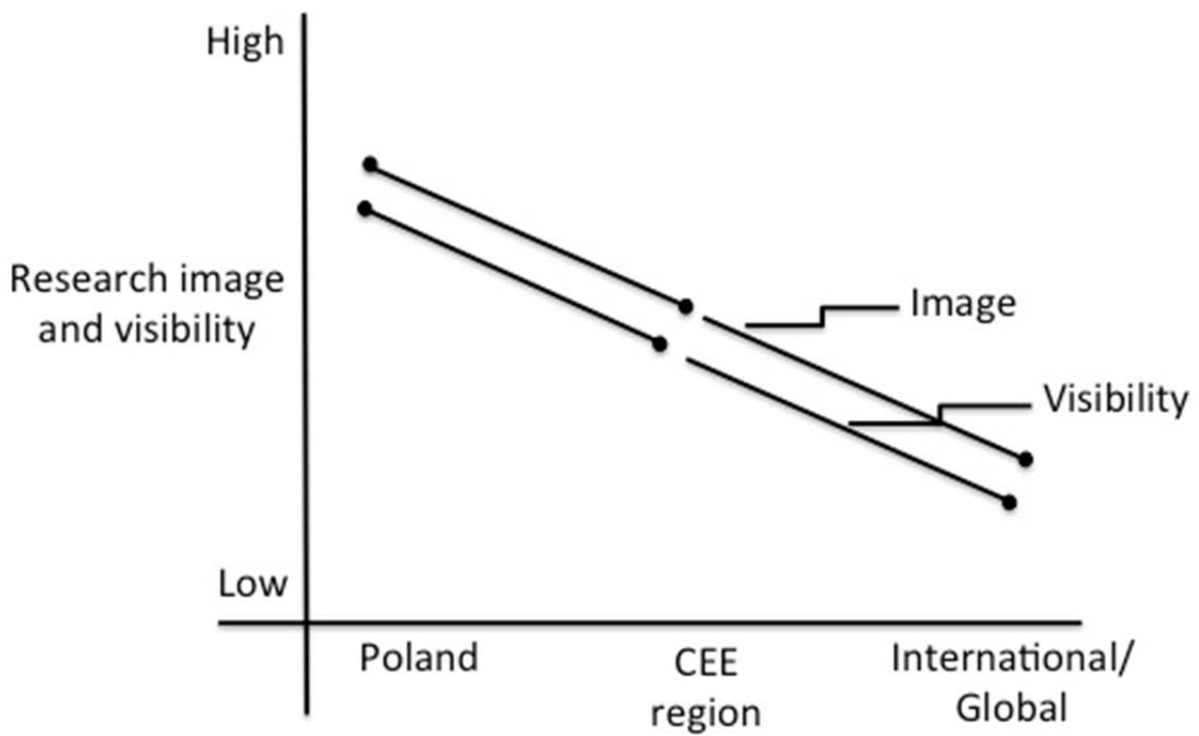
a.) Poland



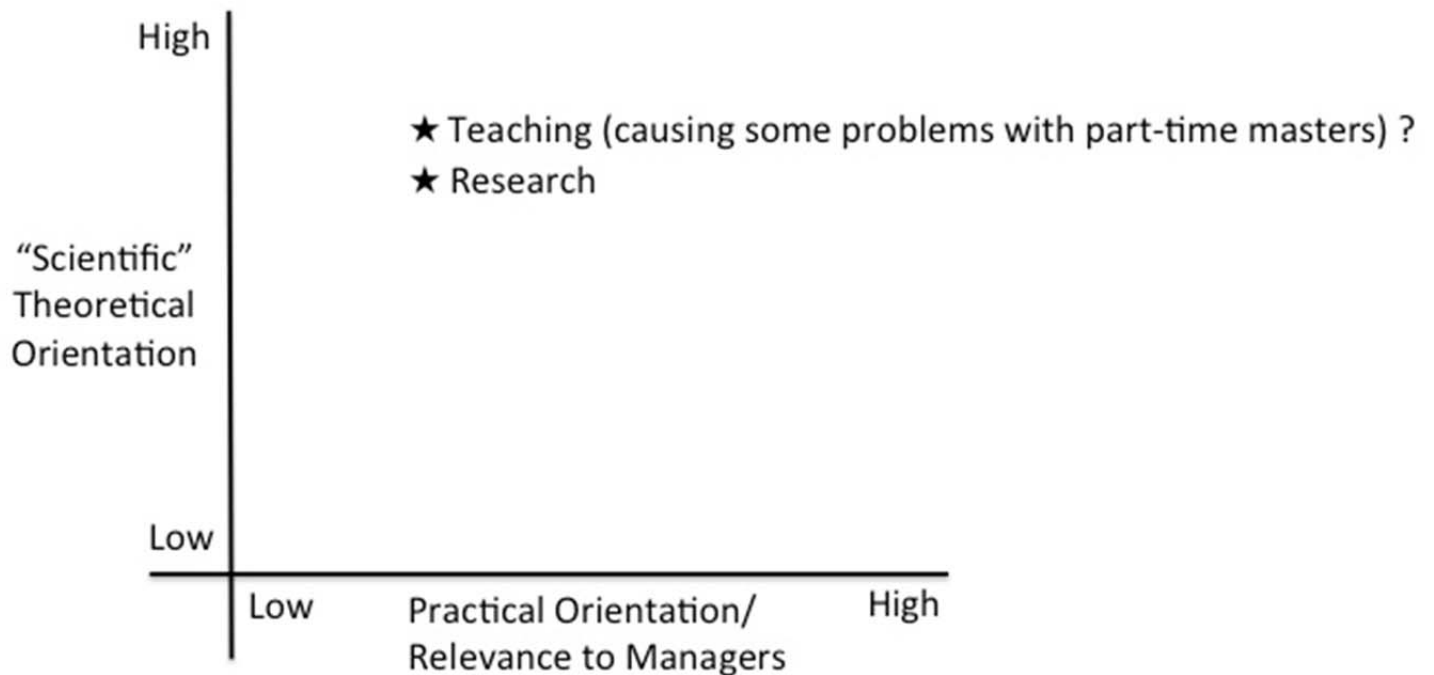
b.) Internationally



c) FoM Research Image and Visibility Varies Sharply with Geography



d) Rigorous “Scientific” Theory Component is Greater than Practice-Orientation and Relevance in both Teaching and Research



3. Segmentation and Focus

- Who: Primarily part-time bachelors and masters.
- What: Primarily preparation in underlying disciplines and functional skills.

4. Differentiation and USPs

A recent survey of selected faculty and around 100 bachelors and masters students in both full-time and part-time programs revealed that FoMs differential advantage is currently perceived (in rank order) as being

- Its superior infrastructure
- The prestige of the FoM and the University of Warsaw
- A well-organized educational time table
- The quality of its teaching faculty

Lower rated factors included in rank order

- Organization
- Interdisciplinary teaching
- Location
- Atmosphere
- Practical knowledge
- Job possibilities on graduation

5. Objectives

- a) Within the overall university: FoM is a net cash provider (30% of earned revenues are provided to the University)
- b) Internal portfolio: education and its administration takes the lion's share of the overall budget. Research expenditures total around 300'000 zlotys annually or about 10% of the overall budget. Within education, part-time is about 60% of the total at both undergraduate and masters' levels.

The Dean has added a further important objective for the future—namely to couple the strategic changes that are contemplated with a smooth 'generation transition' within the faculty. This means to make sure that those who will lead the faculty in education and research activities in a 5 to 10 year future period, have to be instrumental now in deciding and making the planned.

B "Tomorrow"

III. The Changing Market: Opportunities and Threats

The market for management education in Poland, but also in the CEE more generally is changing in three distinct ways:

1. Many of the firms that employ graduates are themselves in the midst of change initiatives and strategic reorientation. Typically these changes result from increased competition domestically and internationally, driven fundamentally by EU membership. International firms (and management schools!) are increasingly entering the Polish market and in turn Polish firms seek international extensions. Many company change agendas include a shift to higher value-added products and services, a shift from contract manufacturing to a greater attention to services, much higher attention to innovation etc., etc. Organizationally responsibilities are being decentralized, often to a younger generation of managers where leadership skills are increasingly needed. Large ex-state owned companies particularly face massive changes to be competitive in increasingly privatized markets. The requirement for entrepreneurship is common in both large and small organizations.
2. The students themselves are changing. They are, rightly, in more of a hurry. They are often distracted by social media, internet possibilities. They see themselves as "customers" not just "students", and put higher demands on professors and institutions for relevance as well as rigor. They differ in their engagement. Some, deeply engaged, take initiative to learn and are the happiest with their experience. Others, less engaged often, make new demands but do less themselves to satisfy these. Many do not look for long-term employment but rather how to be employable in increasingly competitive job markets. They believe they need an education that will allow them to be mobile, and make less of a distinction than their predecessors

that the education is mainly to build theoretical foundations, and the workplace practice abilities. They seek rigor **and** relevance.

3. Many management institutions, and FoM is no exception, are seeking to diversify their revenue streams by increasing their share of international students, by shifting progressively to more part-time vs full-time education, by adding executive MBA programs, and attempting to launch higher revenue programs for practicing executives, as well as “company programs” where impact for the company is as important as impact for individual participants. Not only the big global brands of management education are headed down these tracks, first and even second-level national institutions in Western Europe, but also in the CEE are affected. “Private” management education is on the rise, often moving faster in these directions than the state supported and “regulated” public universities which thus have more difficulties to make the needed changes. As demographic shrinkage of the student population occurs overall, budget pressures are exacerbating the difficulty of investing in and repositioning for the future. Management education everywhere is becoming more competitive!

IV. Mission and Vision for the Future

The **Mission** of the Faculty of Management is:

- Development of managers, leaders and entrepreneurs for international as well as Polish organizations. The mission includes development of individuals at undergraduate, graduate, postgraduate and executive levels both in full-time and part-time programs. All activities are focused on business, health care and public sector.
- Development of research insight relevant to advances in both practice and theory for both academic and practitioner audiences and communicated via publications, presentations and the classroom.
- To be a forum for meeting of management, academia and government, as well as from East and West.

Faculty Vision

The Faculty of Management seeks:

- To sustain the School’s leading position in Poland at undergraduate, graduate and postgraduate levels and to consolidate its position in existing international markets.
- To extend these activities to selected new international markets, to executive education for both individuals and companies, and to research with a predominately practice orientation – all in a manner consistent with the heritage of the institution, while at the same time meeting the emerging needs of the market.

- To become a “thought (intellectual) leader” in those fields where it chooses to specialize (for example: entrepreneurship, East/West business, fields that stem from joint research with other parts of the University).

V. Strategy for the Future (5 RE-Strategy)

A strategy for "tomorrow" typically requires change in one or more (often all) of the five primordial dimensions. All other so-called "functional" strategic decisions are subsidiary to these and cannot be made separately or independently. The five primordial strategic elements to be redefined in the case of FoM are:

- 1) some REdefinition of program offerings, customer groups to be targeted, and teaching methodologies used. Equally, and in concert, some REdefinition of research issue focus, audiences targeted with the School's research (executives as well as peer academics), and research methodologies employed.
- 2) some REpositioning to regain (where it has been slipping) the favorable quality/ price relationship
- 3) some REsegmentation of key markets
- 4) some RE(new!) framing of how the School intends to differentiate itself from competitors in an increasingly competitive market
- 5) some REsetting of objectives.

VI. Strategic Initiatives

The above mission, vision and new strategy will be realized in the immediate future through 5 distinct but related “Strategic Initiatives”.

- Creation of a Center for Entrepreneurship and Small Business.
- The extension of teaching skills to increase the use of interactive methods and more participant-centered learning. This would involve a small foray also into case writing and case teaching.
- Bridge building to the business community, and particularly to FoM alumni (step 1 would be to create an alumni data base)
- Bridge building to other faculties within the university
- An upgraded marketing and promotion effort

In the medium term three more ‘Strategic Initiatives’ could be imagined.

- A complete review and overhaul of the program portfolio and some restructuring of curricula for individual programs.
- Extension of the research portfolio to achieve a greater 'practice-orientation' relevant to the business community as a whole and to alumni in particular.
- Creation of a new Center for Regional, East, and West Business,
- Ethics, Social Responsibility and Sustainability

Two further initiatives which were listed in previous drafts of this strategy document would now be in the hands of the Dean, namely:

- Reorientation of faculty assessment and incentive systems
- (Later) some possible restructuring of chairs, departments, etc. to reflect the emerging program and research priorities and strategic changes referred to above,
- Promoting Generational Change

VII. Implementation

Implementation will require the following steps:

1. Broad faculty and administrative agreement on the new mission, vision, and strategy.
2. Broad agreement and commitment to the first 5 Strategic Initiatives (planned for early July) – and putting “flesh on the bones” for each.
3. Immediate start on teaching skills by sending selected faculty member to two different teacher development programs (European Entrepreneurship Colloquium and International Management Teachers Academy).
4. Designation of leaders and supporting faculty teams for each of the first 5 Strategic Initiatives.
5. Early review of State and University constraints and possibilities to work around these.
6. Parallel discussions of all of the above with counterparts at the University of Warsaw level, and with other faculties that might be involved.
7. Laying out of an overall 3-year (5-year) change plan with milestones, checkpoints, budgets, responsibilities, timetables, etc.