DILEMMAS OF CAREER MANAGEMENT IN CONTEMPORARY UNIVERSITIES

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INTRODUCTION

The central thesis of current higher education research literature is that the borderline between higher education and the business sector starts to dissolve (Etzkowitz and Leydesdorff, 1997; Slaughter and Leslie, 1997; Clark, 1998; Slaughter and Rhoades, 2004). This is the result of capital accumulation in the business sector which makes possible investment in research and educational technology. As business and other non-profit organisations become able to enter into higher education markets, universities start to loose their monopoly of knowledge production (and partly dissemination), leading to the change of knowledge production regimes. The dissolution of borders is clearly noticeable in the growing number of corporate universities and the growing participation of business organisations in research and technology development (OECD, 2004: 14).

One might think that universities have good chance of being global players in the knowledge economy, provided that they are able to transform themselves into entrepreneurial organisations (Etzkowitz, Webster et al., 2000). The first step on this road is to accept that universities are not just symbolic institutions of societies which take part of its development in an indirect way (suggested by the traditional Humboldtian view) but organisations which directly participate in market transactions.

Others, however, see this trend as the end of the university era because universities will be able to play only a minor role in the future (Gibbons, Limoges et al., 1994). There are some even more critical voices arguing that the instrumental logic of business imperializes the universities (Readings, 1996; Lyotard, 2001). The denomination of 'university' will be used in order to gain more credibility and legitimacy on the market by suggesting an image of objectivity and impartiality, while the term itself will become vacuous. 'University' will become the synonym of educational business organisations because there will be nothing which makes universities different from business organisations. Although the fears of these critics are sound and persuasive, they rarely offer alternatives or tell us what to do differently. What is worth consideration,

however, is that the transformation of the university is much deeper than is usually assumed, which requires conversation inside and outside of universities.

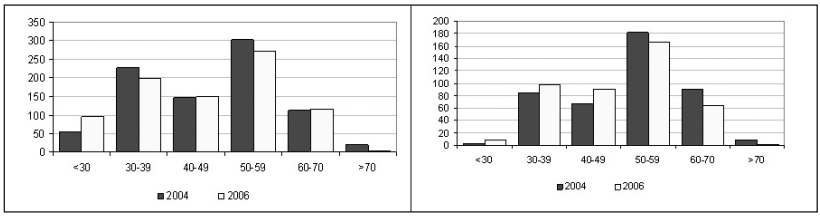
To sum up, it remains an unresolved question as to what extent universities should and can maintain their traditional organisational forms and values. It is, however, a fact that there is a convergence between sectors. A clearly visible sign of this trend is that recently many management techniques and methods have gained ground, both in higher education and in general, in the public sector (e.g. the movement of new public management). The pace of this trend depends on the institutional setting of the given country, but terms such as 'strategic management', 'customer', 'market', 'performance measurement' are common even in those countries in which higher education is traditionally strongly regulated and administered by the state.

Borderlines are dissolving not just among sectors but among countries as well (e.g. brain-drain, brain-gain). This trend further accelerates the convergence of higher education to the business sector. The reason for that is the increased mobility which helps the flow of personnel and practices among countries and organisations. The dissolution of borderlines has an enormous effect on the life of higher educational 'managers' and academics, creating new human resource management challenges that universities must face. Permeable borders lead to intensified competition for talented employees. Universities cannot avoid the war for talent.

In Hungary, for example, this competition was especially visible for many faculties during the transition period when the business sector successfully recruited most of the young academics. Today the middle generation is in the minority in in many disciplines in universities, as can be seen in the case of Corvinus University (see figures 1 and 2).

Figure 1. Distribution of academics on the Corvinus University of Budapest in 2004 and 2006.

Figure 2. Distribution of qualified academics on the Corvinus University of Budapest in 2004 and 2006.



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Higher education seems to be disadvantaged in the war for talent as the attractiveness and competitiveness of being an academic is decreasing (Enders and Teichler, 1997; Huisman, de Weert et al., 2002). It is often argued that one reason why universities fall behind in the competition can be found in the rigid career system (c.f. Huisman, de Weert et al., 2002).

In this paper I am going to focus on the (usually implicit) human resource practices and especially on career management systems applied on universities. It is important to note, however, that the regulation of human resource and career systems variesfrom country to country and among disciplines. My aim in this paper is not to seize upon these differences, but to sketch out the general trends and to provide an overall diagnosis in order to identify those questions which need to be answered.

The structure of the paper is the following: first, I describe the change in knowledge production regimes. Then I present human resource practices applied in different regimes. Based on this analysis, I am going to pose some questions related to career management systems.

CHANGES IN THE NATURE OF KNOWLEDGE PRODUCTION

As Gibbons and his colleagues have argued, there is transition from Mode 1 Knowledge (M1K) production to Mode 2 Knowledge (M2K) production (Gibbons, Limoges et al., 1994). Mode 1 Knowledge represents a disciplinary-based and university-governed mode of knowledge production which depends on the creativity of the individual researchers and is controlled by academics themselves (peer review). What counts as knowledge is defined by disciplinary communities and they have the privilege to define research problems (Gibbons, Limoges et al., 1994: 2).

Mode 2 Knowledge, however, is context-driven and transdisciplinary, which means that research problems root in the context of application, that is, they are defined by the wider societal context. As problems become more complex, they can be solved only by combining different disciplines, or, to put it differently, by combining specialists from different fields. Therefore, successful research is based on groups of specialists rather then on genius individuals. (See also that borderlines between disciplines lose their significance.) (Gibbons, Limoges et al., 994: 3-11).

As a result, research production is no longer the monopoly of universities, but business organisations, governmental agencies and non-profit organisations also participate in it. The control of the process does not remain in the sole hand of

disciplinary communities. Instead, it is social accountability, utility, cost effectiveness and profitability which replace the governing body of disciplinary communities.

It is not surprising that organisation of research and education change as well. The importance of flexible organisational structures such as project organisations and department-based organisations has increased, where departments are pools of specialists from where project leaders can recruit people for temporary research or educational works (Laki and Palló, 2001; Barakonyi, 2004).

HUMAN RESOURCE MANAGEMENT SYSTEMS IN DIFFERENT KNOWLEDGE PRODUCTION REGIMES

Mode 1 and Mode 2

Knowledge production regimes are supported by different HR practices. Assuming ideal-type regimes, in the following I am going to describe the characteristics of HR practices applied in each regime.

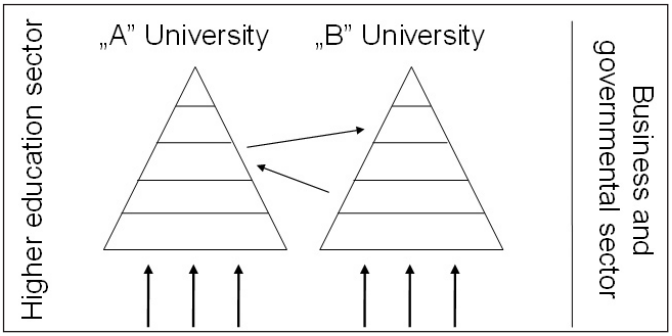
Mode 1 Knowledge Regime

In the Mode 1 Knowledge regime, the higher education sector has strong borders which are usually created and maintained by many human resource practices. One of these practices is the career system. In this regime career is usually interpreted as advancement in the hierarchy. By climbing the ladder, one gains "larger command positions, while the core of the job remains the same" (Gilliot, Overlaet et al., 2002: 284). That is why Gilliot and his colleagues call this type of career a 'command-centred career'.

Hierarchy has two meanings in the academic environment. The 'academic career' means advancement in the scientific career hierarchy (e.g. assistant professor, associate professor, professor, etc.), while the management career is advancement in the organisational hierarchy (head of department, dean, rector, etc.). The two types of career in the M1K regime are usually tied to each other, that is, the prerequisite of a management position is the advancement in the discipline. In the M1K regime the (scientific) career track is highly regulated and is mainly based on the mixture of seniority and scientific performance. Performance criteria are set by the disciplinary community in a way that provides for the possibility of further advancement (and therefore, incentive) for the whole lifetime spent in academia. To achieve the top of the career ladder, an average academic has to spend her whole life in the higher education sector.

The flow of personnel usually remains within the border of the higher educational sector. As there is low inter-sectoral mobility, the base of recruitment is Ph.D. students and academics employed by other universities or governmental research organisations. The ideal faculty member has a strong academic identity, a strong network within her discipline and a strong theoretical orientation (as in Mode 1 Knowledge theory and practice are separated).

Figure 3: Personnel flow in the Mode 1 Knowledge regime



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Within the M1K regime, long term, non-monetary incentives dominate: high status (academics are usually civil servants), high job security (tenure, life-time employment) and high reputation are only achievable in the long term. Being an academic is a long term, risky investment because committing oneself toward an academic career requires specialization. This risk is only accepted if there is an opportunity for stable employment because there is a limited possibility to transfer the skills and experiences accumulated during the academic years if one has to leave the higher educational sector. On the other hand, the long term incentives reproduce the exclusivity of the academic profession and the closeness of the higher education sector.

Compensation schemes are usually defined on a national level, thus individual academics are allowed only to negotiate their working conditions and not the compensations they get. The framework is usually based on internal equity, that is, compensation packages are tied to different hierarchical levels. Packages are always defined to reflect the hierarchy. In other words, it is the hierarchical levels rather than the general market that serve as a reference point to which compensation packages are justified, because the inter-sectoral movement is limited. In this way internal conflicts

can be minimized, and the strength of academic profession can be maximized against other professions (strengthening the exclusivity of the sector).

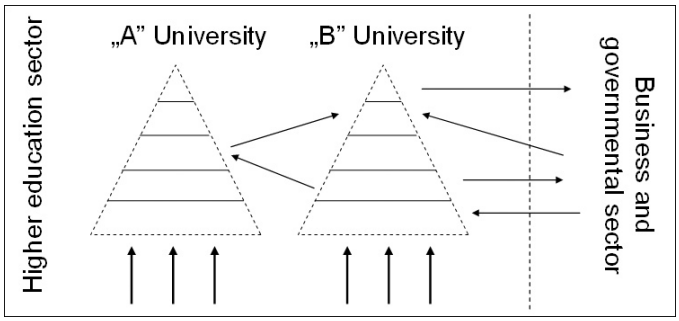
Mode 2 Knowledge Regime

In a pure M2K regime different HR principles prevail, as experience outside academia is also valued. As a result the base of recruitment is widened because all the professionals in other sectors are potential faculty members. The ideal faculty member therefore has much professional experience in several fields, has a strong network both inside and outside academia and has the ability to utilize developed knowledge.

The M2K regime supports a different interpretation of career than that of the M1K regime. Career means switching among sectors/organisation and enjoying the transfer of knowledge from one context to another. The number of those academics who spend only a short time in the university participating in temporary existing educational or research project is on the increase. Also growing is the number of those who simultaneously work in the business/governmental sector and in the university environment (as consultants, experts, researchers, etc.). This kind of career is called a 'constructional career' by Gilliot at al., because individuals construct their own career routes (Gilliot, Overlaet et al., 2002: 284).

The career system therefore needs to be very flexible, rewarding output rather than the potential or the time spent in academia. As people spend less time in the university environment, formal systems are required to assess and measure performance and previous experience. Performance management systems are linked to the goals of external accountability.

Figure 4: Personnel flow in the Mode 2 Knowledge regime



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Another consequence is that long term, non-monetary incentives are replaced by short term, monetary incentives. The compensation system also changes. In order to attract experienced, popular professionals, the university has to compete with all the other sectors by offering custom tailored, competitive compensation packages. It is not just the working condition, but the salary and other elements of the package which are negotiable. As a result, internal conflicts are sharper, because payments are only loosely connected to the time spent in higher education or in the organisation. In a pure M2K model it is also possible to fill in management positions by persons coming from the business or governmental sector.

Table 1: Human resource practices in different knowledge production regimes

Mode of knowledge production		Mode 1 Knowledge: investigator-initiated and defined by the disciplinary community	Mode 2 Knowledge: context-driven and transdisciplinary.
The aim of HR practices		To build up strong academic identity	To find and employ good professionals and experts
Career systems	Main characteristics of the career system	Closed (regulated) career tracks based on seniority (time spent in academia) and performance.	Open (flexible) career tracks based on performance.
	The meaning of career	Career as advancing in the disciplinary or organisational hierarchy (command-centred career (Gilliot, Overlaet et al., 2002)	Career as moving between sectors. (constructional career; Gilliot, Overlaet et al.)
	Flow of personnel	Up-or-out model, lifelong employment (Bakacsi, Bokor et al. ,2000)	In-and-out model (Bakacsi, Bokor et al. ,2000)
Base of recruitment		PhD students, academics employed by other universities or governmental research organisations	Professionals with experience outside academia
Incentive mechanisms		Long term orientation: non-monetary incentives counterbalancing the risk of specialization: high status (civil servants), job security (tenure), reputation.	Short term orientation: monetary incentives, low job security
Compensation		Conflict minimization (internal equity): compensations are predefined (working conditions are negotiable)	Competitive (external equity): compensation is negotiable

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The main characteristics of the HR practices in different regimes can be summarised by the well-known "make-or-buy" dilemma, that is, whether to recruit people with high potential and then to educate and train them to acquire the necessary skills ('make'), or to find people with the required skill on the market ('buy'). In the first case the implicit contract between the individual and the university is to "join us, be part of the community, make an investment in the profession and in the long

run you will be richly rewarded". In the latter case the implicit contract is to "do the required task for the negotiated reward and then say goodbye".

DILEMMAS OF CAREER SYSTEMS IN HIGHER EDUCATION

Although Gibbons (et al. 1994) describes the current situation as a transition from one phase to another, it is more accurate to characterise the process as a change of emphasis because different knowledge production regimes do not exclude each other, but coexist (see Slaughter and Rhoades, 2004: 29.).

The weight of knowledge production regimes differs among disciplines and countries. For example, the deeper a discipline is embedded into society, the stronger the link is with practical life, and the easier it is to transfer knowledge and skills to other sectors. In addition to the differences in disciplines, it is also possible that members of the same department have different career. Thus, universities, faculties and departments have to balance between different expectations.

It is also important to pinpoint other career aspirations. For example, Gilliot at al. mention a third type of career. Evolutionary career is the fulfilment or realisation of a pedagogical or managerial mission (Gilliot et al., 2002). To see how students or the organisation evolve may provide a sense of personal advancement as well. It seems, however, that none of the regimes incorporate that kind of career explicitly.

Another question to solve is how to handle people who change their career focus during their lifetime. What if I want to start by accumulating experience, by working at different organisations and sectors, and later I want to focus on the university by following a command-centred career? And how should we compare such a course of life to those who follow the command-centred career from the beginning? How should we evaluate and take into consideration the experience gained outside of the university?

To conclude, as different knowledge production systems coexist, more than one career aspiration is supported. In consequence, there are different and often contradicting opinions about whom to promote or what to reward. Therefore it is very difficult to develop a uniform, consistent career (and reward, performance management, etc.) system, because it has to bridge the differences between presumptions about the goal and the nature of the university.

I am convinced that the question of career and all human resource policies root in the different convictions about the mission of the university. I agree that universities are in a transition period where the goals and mission of the university are

contested. But instead of offering general advice about how to adapt to different and contradicting expectations (and in this way implicitly taking a stand on the mission of the university), I take the advice of the critics of the entrepreneurial university. I believe that it is dialogue about the desired university that is required. Each university as a community of people has to find its own answers. By providing an analysis and raising questions, my aim in this paper was to participate in this dialogue.

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