Welcome addresses

Prof. József Bódis, rector of University of Pécs, Hungary

Professor Bódis, rector of University of Pécs, welcomed the esteemed guests of the conference and the leadership of both the Magna Charta Observatory and the University of Pécs. The rector highlighted the atmosphere of the signatory ceremony on the previous day, an atmosphere determined by the common belief in university life and values. The rector thanked each and every one of those who worked so diligently to bring this conference to life, including organizers and participants as well, and thanked especially the Magna Charta Observatory, for choosing the University of Pécs as the first Central-Eastern European institution to host this event.

Prof. Gyula Zeller, vice-rector of University of Pécs, Hungary

Professor Zeller, vice-rector told a story, related to the title of the conference: ‘University Values for today: Central European perspectives and challenges’. The challenges for freedom of speech and European values is not a new phenomenon in Central Europe. 99 years after the foundation of the University of Pécs, the Bishop of Pécs, Janus Pannonius, wrote a poem about an almond-tree, which the poet saw through his window on a cold spring day. The almond-tree was unfortunately too early, and winter came back, so the little tree suffered much from it. Janus Pannonius’ metaphor expressed something about his faith. Janus Pannonius studied in Italy, and tried to bring knowledge, and European values to Hungary, but these values were not very welcome in this region. The vice-rector underlined the similarity between the metaphor and the foundation of the University of Pécs in 1367. They were both swiped away in the storms of history. Professor Zeller also noted, that after all, what is a tragic event on one hand, can be a great thing on the other. After the 1st World War, Hungary lost 2/3 of its territory, and the University of Pozsony (today Bratislava, capital of Slovakia) moved to Pécs, and become the University of Pécs, which hosted the event. The vice-rector also indicated that the University of Pécs is committed towards internationalization, which manifests in conferences and cooperation with foreign institutions. Professor Zeller also noted that the University of Pécs has 4,000 international students from all over the world.
David Lock, secretary general, Magna Charta Observatory

David Lock, secretary general of the Magna Charta Observatory welcomed participants and thanked the rector of the University of Pécs, for the wonderful collaboration, which created and delivered the conference. The secretary general emphasized the warm and welcoming atmosphere which was made possible by those who worked hard to bring this event to life. He reported that there were over 90 participants from over 30 different countries which was a manifestation of the globalization program of the Magna Charta Observatory. He conveyed the best wishes of the president of the MCO who would be joining the event later in the day. He introduced the vice-president.

Opening Remarks

Professor Agneta Bladh, vice-president, Magna Charta Observatory,

Agneta Bladh initially spoke about the Magna Charta Universitatum and the Magna Charta Observatory.

The Magna Charta Universitatum is the text which was signed on 18th September 1988, in the presence of many political leaders and representatives of society, by 388 rectors, at the 900th anniversary of University of Bologna and is now signed by 816 rectors from 85 countries. The Universitatum contains the principles of academic freedom and institutional autonomy, and autonomous institutions at the heart of societies. It is a base for common understanding of the university as a key organisation for scientific, cultural and economic development of countries. The Universitatum includes a reference to the environment universities are part of. The text talks about serving society as a whole. Academic freedom, and institutional autonomy also require there to be academic responsibility both inside and outside of the institution. Academic responsibility includes how a university must be morally and intellectually independent when meeting the needs of surrounding society; only this way can universities fulfill their mission. The Universitatum has been a standard for the international community sharing the same academic values.

The concept of a Magna Charta Observatory was launched in 1998, ten years after the signatory of the Universitatum, to monitor the implementation of the principles outlined in the text of the Magna Charta Universitatum. The Observatory was founded in 2000 by Professor Roversi Monaco, former rector of the University of Bologna, now honorary president of the organization. The Magna Charta Observatory, has a Council, with between 11and 15 members, a secretary general and administrative staff. The Council gathers information, expresses opinion, prepare documents, workshops and seminars, relating to the respect for and protection of fundamental university values. The Observatory organizes an annual anniversary conference in different countries, i.e. in Uppsala, Sweden in 2014, last year in São Paulo, Brazil, now in Pécs, Hungary and next year in Salamanca, Spain. These events also include the possibility to sign the Universitatum. It also organises workshops in different parts of the world.
The vice-president also underlined the importance of the conference’s theme: ‘Central European university values, perspectives and challenges’. The perspectives and challenges are the same in Northern Europe or somewhere else around the world. Both academic freedom, and institutional autonomy depends on the surrounding conditions. This means that we have to consider these concepts at a national level, but also at an international level, and inside the institution as well. The vice-president suggested that the challenge is as follows: how to keep the integrity towards all those forces which want us to be or to act in a way which might be contradictory to our fundamental values. It is our duty to find a way forward to keep our integrity in this environment. The old universities – like Pécs or Bologna – are quite an example: they have survived, they are even flourishing, they are modern. Perhaps the old universities can give us inspiration and courage. They have faced many challenges during their lifetime.

Finally, the vice-president congratulated, the rector of University of Pécs, Professor József Bódis, for the enormous achievements of his university and closed her speech with the remark: ‘You have met challenges, and I believe there are more to come.’

**Peter Lorange, owner, president, and CEO of the Lorange Institute of Business Zürich, honorary doctor of the University of Pécs, Hungary**

Professor Lorange, owner, president and CEO of the Lorange Institute of Business Zürich told the audience about his recent research and his soon to be published book about universities and business schools and, the changes they face nowadays. Professor Lorange underlined that some of his remarks might be controversial, and some of the audience might not like it, but it is interesting to think about certain issues.

Professor Lorange’s first order of business were the questions: ‘How to find the balance, between research and teaching?’ ‘How do you find some more practicality in all that?’ and also ‘How can you make sure, that our university gets the financial resources it needs?’. Universities and business schools came up with relevant innovations to find solutions to that particular problem.

Professor Lorange also remarked that the students and stakeholders are the ones who drive the innovation. The main principle is that the students and clients think that the universities should embrace the computer age, and the web, to be able to keep track with the innovation going on in our world.

Professor Lorange highlighted four major changes that are happening:

First of all, we can see a dramatic shift towards more part time professors. It is happening because universities want professors to be both practical and theoretical. Many of the classical professors cannot be practical enough. More and more professors are coming from business or consulting ‘only’ to share their experiences and expertise with students.

The second issue in hand is one can see a clear tendency to outsourcing in fields like accounting, finances, IT support, PR or marketing. It is better to outsource, because this way people will deliver in time. Many universities are complaining that the bureaucracy of the university is acting so slowly, that it is not working any more.
The third issue is that obviously the modern students understand the computer. They can learn the basics at home by themselves. They come to the university solely for the purpose of discussing key dilemmas with professors, which means smaller classes are needed in universities to enable effective conversations. Classes need to take place at weekends with 4-6 hour sessions, to be compatible for those students who are working full time besides university studies. Professors work in a totally different context today relative to previously. Professors needs to listen and synthesize. Professor Lorange remarked that ‘we are becoming more like conductors of the orchestra, rather than one dimensional ramblers.’ Professor Lorange closed the third key issue with findings of the research and the dramatic increase of efficiency with the new method.

The fourth issue in hand is connected to the curriculum. Studying for students now is for the motive of employability. It is not only the matter of getting a diploma, but rather constant learning in a rapidly changing society. Students needs to combine career and studying, which brings back the pervious point that most of the learning must take place at home and universities should focus on seminars and discussing key dilemmas. Professor Lorange underlined that it is interesting how curriculum changes over time. There should not be inelastic curriculums, every student could learn and take courses in his or her own speed. Professors Lorange also noted the change in university buildings. These new areas are more open and flexible. It is possible for students to just pack up their things and mingle around the open building.

Professor Lorange shared some of his key findings on how universities should act to be able to cope with the changes. Firstly, there should be a more innovation oriented culture in universities. Professors should be able to change. Universities and classrooms should be smaller, we need fewer students, and more part time professors. Secondly, a powerful president or dean is necessary to cope with the changes. Many leaders of universities try to avoid politics, but they spend a huge amount of time debating nonsense, they are involved in petty political issues.

Lastly, Professor Lorange advised university leaders to pick only few issues to cope with. Find the most critical and the less critical ones and deal with them, it is a great way to gain legitimacy.

Keynote Address 1
Higher education in the innovation society: Central European perspectives

Gábor Halász, professor of education, Centre for Higher Education Management, ELTE University Budapest, Hungary

1. traditional universities
2. democratized universities
3. bureaucratic universities
4. professional universities
Besides the four stages, the former minister envisaged a fifth phase, and proposed a shift to innovative universities. Professor Halász thought, that if Jo Ritzen was right it is especially useful, moreover necessary to understand the nature of innovation in universities.

When most people hear about innovation and universities, the first thing that comes to mind is the role universities play in contributing to the economy, or to society in general, with innovation. Much less frequent is the innovation within universities. Those who analyze the latter, can follow three different approaches: apply the models of general innovation science for higher education; develop a specific education sector innovation model; or develop a specific model only for higher education.

Professor Halász illustrated his statements with the example of a research project which used the term ‘Higher Education Innovation System’. The authors of the paper tried to explain innovation in higher education in a system. They talked about the functions such as, education, research etc.; actors, direct and indirect etc.; and relations, such as collaboration or conflict moderation, substitution and networking.

Professor Halász stressed that innovation has to be measured. The units of analysis have to be the actors, the innovation itself, processes or products. To measure innovation, universities should be included in surveys, which can be general, service or higher education specific.

Professor Halász used the example of the general education sector innovation survey ‘The Innova Project’ in which the same question was used for all levels of education: ‘One of our employees started to apply pedagogic solutions significantly different from his or her earlier practice’.

Professor Halász asked the rhetorical question of ‘What can we learn from such innovation surveys?’ When we use innovation surveys to describe a particular innovation product, then the outcome is typically classifications, frequencies, typologies etc. According to the research most significant territories in innovation are: use of technology, classroom teaching and learning. Another way to see innovation is the process perspective. This way one can understand how innovation will influence performance.

Professor Halász concluded that one has to narrow the scope of how we see innovation as contribution to society, and one also has to think about innovation within universities. Defining and measuring innovation is extremely complex, but possible, as research demonstrated. Universities display remarkable internal innovation, but it is significantly uneven. Professor Halász underlined that managing university innovation is a decidedly complex task. In his final remark, he stressed that one has to take into account the national context and policy to define and measure innovation in universities.

**Keynote Address 2**
**The Role of Knowledge and Internationalisation in Everyday Life**

*Sanja Stojanović, vice-rector for international co-operation, University of Novi Sad, Serbia*

Professor Stojanović opened with an introduction to literacy and the history of the state of Serbia, from the Middle Ages, with colorful examples and historical analysis, including but not limited to the activity of Cyril and Methodius, the fathers of Cyrillic alphabet. Professor Stojanović explored the routes of internationalization in Serbia all the way from Saxon miners to nowadays.
Professor Stojanović explained that, the city of Novi Sad is a multi-ethnic city, which hosts the University of Novi Sad. Internationalization in Novi Sad is based on five pillars: education, science, cooperation, international community and technology and innovation. Besides these pillars, the internationalization manifests itself in training programs, and opportunities like ERASMUS-programs.

Professor Stojanović highlighted that the University of Novi Sad has more than 800 foreign students and many bilateral agreements outside Europe as well. As for challenges Professor Stojanović sees difficulties in private universities and companies which can influence curriculum to get the best professionals for their jobs. Professor Stojanović also has a problem with online courses, distance learning and politics, which tries to interfere with the autonomy of universities.

Panel
University values for today: internal perspectives
(Chaired by Agneta Bladh, vice-president, Magna Charta Observatory)

Csaba Deák, chancellor, University of Miskolc, Hungary

Mr. Deák explained the new management model in Hungarian universities, namely, the chancellor-system, with its benefits and challenges. Mr. Deák started his speech by stating ‘The chancellors are the best friends or best strategic partners of the rectors’. Mr. Deák also informed the audience about several rankings of Hungarian universities in different kind of esteemed ranking systems.

In 2014 the chancellor-system was introduced into Hungarian higher education. Since then the chancellor is the executive head of finances, and responsible for financial and economic decisions while the educational and research decision making power remained with the rector.

The Hungarian government’s basis for the change was built on three pillars. First, most of Hungarian universities had several problems on the operational level and little or no administrative background. Additionally, the financial management of universities was not very transparent and the decision-making processes were not economically justified. Between 2010 and 2013 many Hungarian universities had financial problems. There was a lack of state control over university finances.

There are several criticisms of the chancellor-system, such as bureaucracy, inflexibility, over dependency on personal factors, financial motivation, and education and research interests became less prominent.

Mr. Deák had surveyed more than 20 chancellors in Hungary to find the benefits of the chancellor-system. Mr. Deák’s subjective benefits list went like this: transparent, effective, and more stable financial management, strategic perspective, system oriented management, cooperation between the Ministry and the institution, openness towards business and industry and less redundancy. Finally, Mr. Deák thinks that chancellors are not bound by faculty interests and can see the bigger picture in terms of management.
Typical actions were taken in light of the chancellor system, for instance responsible management of property assets, overview of external contracts, and income structure, and cooperation between institutions, finally cost reduction if it was possible.

Mr. Deák asked the rhetorical question of ‘What can be identified as problems for universities in connection with the chancellor-system?’ First, the universities are complex organizations. It requires time and energy to get to know them. Secondly there is an open and hidden resistance towards chancellors and their jobs. Mr. Deák thinks there is a misinterpretation of the word ‘autonomy’ at least in Hungary. The chancellor sometimes sees anarchy instead of autonomy. Besides all that, academic staff perceive administrative matters to be more complicated, because chancellors follow the letter of law.

Mr. Deák concluded that we must foster higher education to understand and meet socioeconomic needs and demands; universities have to become knowledge factories; and we have to train the next generation of responsible and intelligent citizens, provide services to support the academic side, and promote best practices.

To the question of Agneta Bladh regarding the decision making of the rectors, Mr. Deák stated, that rectors come from different scientific background and some of them do not possess the managing skills, required to deal with financial and economic issues.

To another question of Agneta Bladh regarding to the selection of chancellors, Mr. Deák answered, that there was a competition to be appointed to be a chancellor, but the universities did not have a say in the decision making processes. But this way it is easier to make a change, since chancellors are not bound by the same election related problems, such as the race for votes.

To the question of Agneta Bladh regarding independence from the prime minister’s office, Mr. Deák stated that he is independent in everyday matters, but he can be fired based upon a bad decision.

**Tamás Kaizinger, board member and responsible for foreign affairs, National Union of Students in Hungary**

Tamás Kaizinger opened with stating that every student in the Hungarian higher education system is a member of the National Union of Students. Mr. Kaizinger talked about university values from the students’ perspective.

Mr. Kaizinger noted that the most important role of higher education institutions is the value based operation and education. The higher education institution serves as a socialization scene for students. Consequently, the values represented by the institution forms the thinking of students, therefore the whole society. However, Mr. Kaizinger thinks that the students are not only formed by the values they experience during their time in higher education, but they can also shape the character of these values. Based on this, it is highly important that the students can and they do take part in university legislation. Mr. Kaizinger stressed that sometimes only a student can know, what the student really needs. Nowadays one of the most important thing for a student is, to feel safe during his or her studies. It can manifest in handling their complaints well etc.
Mr. Kaizinger remarked that the most important tasks for a student union in the 21st century are to increase the social activity, and strengthen the students’ commitment to democratic values and keep the autonomy of higher education institutions. This is true for independence from political activities, even within the students’ union as well. Mr. Kaizinger also highlighted the importance of university services for students, which are essential as well. Based on international experiences, Mr. Kaizinger also mentioned the role which a mentor teacher can play in a student’s life and its benefits.

To the question of Agneta Bladh regarding how Mr. Kaizinger as a student feel that he is part of the academic community, Mr. Kaizinger said he feels like students are part of the academic community, the relationship between the leadership of institutions and students is good, and student representatives take part in the decision-making processes in Hungarian universities, even as members of the Senate.

**Professor Liviu Matei, Provost, Central European University**

Professor Matei firstly noted the situation of Central European University in Hungary and thanked participants for their support over the previous months. Professor Matei talked about university values rather from a concerned citizen of universities’ point of view then a scholar’s.

Professor Matei underlined that university work is based on values and guided by values. The university context is much more saturated in values, then many other environments or contexts. Universities have a long list of values, such as truth, freedom and excellence as general values, and there are several individual institutional values, which are specific to a given university. Professor Matei also focused on values orienting internal activities of universities, for instance integrity.

Professor Matei raised interesting questions regarding the source of values. Where do values come from? Are they codified? If yes in what document, or where can we find them? Professor Matei noted that there are internal and external value sources. External frameworks can come from legislation, if the law says the university must be inclusive, then universities must be inclusive.

There must be a social contract between universities and state about what the purpose of universities is during a certain period of time and a certain country. There is nothing published yet in this field but Professor Matei kindly asked the audience to mention that it was originally his idea.

Professor Matei also remarked, that universities – which produce knowledge – help our economy and society, consequently, we need more students, more highly educated people and autonomy for higher education. There is a change in the Central European region, where politicians say higher education is a luxury, not a necessity, we do not need more knowledge but more manual labor to increase competitiveness, and we do not need more students as well. This change will result in displacing some of the values that we all accept inside and outside universities.
Professor Matei reflected on two values in this context which are collegiality – as an internal – and solidarity – as an external – value. They both presented through students exercising institutional autonomy and academic freedom. Collegiality is not mentioned in the Magna Charta Universitatum, and solidarity is not there either but the whole text is saturated with the fundamental value of solidarity. Professor Matei brought the example for solidarity the demonstrations in Hungary and elsewhere for Central European University.

To the question of Agneta Bladh regarding institutional values and the combination of different values, Professor Matei stated that regarding values sometimes both the state and universities can be wrong. After the second world war, according to legislation in the USA veterans could go and study in higher education, but Harvard and other esteemed universities objected to it. In case of Turkey one can experience serious problems of the effect of an extremist regime on higher education.

Finally, Professor Matei mentioned that universities should make an effort to formulate their own values, but they should also consider the bigger frameworks such as national or legislative. But in the end university values should be based on academic freedom, university autonomy and university responsibility.

Agneta Bladh closed the panel with mentioning the “Living Values’ project of Magna Charta Observatory, which might be beneficial for other institutions as well.