Title: Successes and challenges of contemporary higher education institutions

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SUCCESES AND CHALLENGES OF CONTEMPORARY HIGHER EDUCATION INSTITUTIONS

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Abstract
The paper is an attempt to summarize nearly three decades of the development of higher education in Poland. Reflections on the evolution of the sector are presented in the context of challenges that higher education institutions (HEIs) have faced and successes they have achieved by taking advantage of the opportunities that arise in the environment. The transformation of the higher education sector was initiated by the introduction of the Higher Education Act in 1990, which was the basis for the construction of a new higher education structure. The sector was also modernized as a result of actions aimed at achieving the objectives of the signed Bologna Declaration. Subsequent amendments to legal acts regulating higher education issues aimed at implementing the idea of the co-creation of the European Higher Education Area. Over time, dynamic changes in the environment of HEIs and the limited resources (e.g. human or financial resources) have contributed to taking action aimed at increasing the efficiency of the HEIs' operation, and thus to professionalizing management. Subsequent, even revolutionary changes can be made due to the Act 2.0.

Keywords: Traditional higher education institution, entrepreneurial higher education institution, contemporary higher education institution, marketing orientation, higher education sector

INTRODUCTION
Polish Higher Education has undergone many changes over nearly three decades. Reforms were started by the 1990 Act on Higher Education, which changed the order and structure in the sector. In addition to only state higher education institutions that had operated so far, private HEIs were established as founding initiatives. Legislative processes were accompanied by
social and cultural transformations. A significant desire for education was identified, which was reflected in an increasing gross enrolment ratio. Quantitative changes both on the HEI’s and students’ side were also accompanied by qualitative ones. The signing of the Bologna Declaration initiated a number of actions bringing Polish higher education closer to the idea of the European Higher Education Area. With time, universities began to be perceived not only as a depository of culture and science, but also as a market entity operating in a specific higher education market. These events were accompanied by heated discussions on the use of business experience in the HEI activity. Market orientation and the professionalization of management have led to the transformation of traditional HEIs into enterprising ones that set long-term scientific and market goals.

A number of changes to higher education in Poland have become a generator of opportunities and threats for HEIs. The aim of this study is to present an evolutionary continuum of higher education in Poland, with particular emphasis on the challenges and successes that can be attributed to HEIs. The author has analyzed the literature about higher education management and marketing, which resulted in the presentation of synthetic conclusions that could form the basis for a summary of three decades of higher education modernization. The technical constraints of the preparation of a scientific article do not allow the author to exhaust the issues raised in the publication, but they may contribute to a broader discussion and conclusions, especially in the context of the approaching 30th anniversary of the introduction of a revolutionary law regulating higher education matters, but also in the conditions of the preparation and implementation of the assumptions of the new document - Act 2.0. According to the legislator, the document lays the ground for modernization processes and is a panacea for the ills of the sector. The preparation of the Constitution for Science is intended to provide broad system solutions, and the document itself is perceived as a compromise that gives an opportunity for the development of active public and non-public HEIs (http://konstytucjadlanauki.gov.pl and https://nkn.gov.pl). At the stage of its initial presentation the act gained both supporters and skeptics. The most important changes introduced by the act include strengthening the role of the rector, ensuring the influence of stakeholders on the HEI’s activity and wider autonomy in the area of designing the HEI’s organizational structure (Koliber Association, 2018). This normative act may be a source of further challenges, and as a result of successes or failures of HEIs. Due to the fact that the paper is prepared before the implementation of the Constitution for Science, it will not be given special attention in this study.
The r-evolution of higher education in Poland – a historical outline

The analysis of the higher education system in Poland is a huge challenge, considering its centuries-old tradition and the history of Poland (including the partition period). One can talk about its regular development from 1918, when Poland regained its independence. This year was significant, because many development goals were set for Poland as a whole, but also a need to standardize the education system and to make up the arrears that arose during the partitions was highlighted. At that time, various education systems were identified in Poland as a result of the activities of the partitioning powers in this area. It was necessary to prepare a document regulating the legal aspects of HEI operation and showing the direction of development. On July 13, 1920, the Act of 1920 on academic schools went into force. HEIs were granted the freedom of science and teaching as well as the academic self-government. The act was considered to be liberal, corresponding with the idea of the Humboldtian model in the field of research and didactic activities. Higher education in this period included 19 higher education institutions (S. Wołoszyn, 1964, Wendreńska, 2006, Waltoś, 2009).

The next stage in the development of the functioning of HEIs was in 1933, when another law was passed (Journal of Laws No. 29, item 247). The document was intended to limit the academic freedom and autonomy of a HEI and thus to give the authority an influence on the education of the intellectual elite. The act also limited the autonomy of academic communities, strengthening the positions of rectors and administration (Wendreńska, 2006).

Higher education went through a slump during World War II and occupation. Polish HEIs were closed and underground education was conducted in groups of several people. It is estimated that there were around 10,000 students at that time. For comparison, the number of students in 1922 was over 33,000. Only after the end of the war Poles tried to modernize higher education, but in pre-war structures. Soon, however, reforms were initiated. The highest governing bodies for higher education were established such as the Central Board of Higher Education and the Central Qualification Commission, whose task was to subordinate HEIs to the requirements of the new ideology controlled by the authorities. It was only in 1956 that changes brought about the reduction of ideological pressure on Polish HEIs. Two years later another act was passed - the Act on Higher Education (Journal of Laws No. 32, item 191), which still highlighted the ideological tasks of a higher education institution, including involving the construction and strengthening of socialism in People's Poland (Wołoszyn, 1964, Krasucki, 2006). At that time various types of higher education institutions operated, and depending on their type they reported to various ministries, including the Ministry of Science and Education, the Ministry of Health, the Ministry of Education, the Central Committee of Physical Culture and
Tourism, the Ministry of Culture and Arts, the Ministry of National Defense, and the Ministry of Foreign Affairs.

In the years 1937-1958, a twofold increase in the number of higher education institutions was observed, which was accompanied by a threefold increase in the number of students. In 1958 there were 76 HEIs that educated over 162,000 students (Wołoszyn, 1964). In the 1960s, the number of students doubled again, reaching over 330,000 in 1970. However, the gross enrolment ratio of university-aged youth was very low, and despite the further increase in the number of students in the 1970s, it never exceeded 10% until the period of political transformation.

In 1980, in parallel with Solidarity uprisings, the academic milieu made their own demands, under which new regulations were proposed to ensure the real autonomy and freedom of HEI development. On May 4, 1982, the Act on Higher Education entered into force (Journal of Laws No. 14, item 113). The provisions of the new legal act allowed for the development of numerous fields of education, and most importantly, while respecting worldviews. However, the Act had ostensible provisions, such as for ensuring the free flow of scientific information and unimpeded access to the literature. The Act changed twice, in 1985 (Journal of Laws, No. 42, item 201) and in 1987 (Journal of Laws No. 22, item 128). The minister received the right to dismiss rectors and employees (Waltoś, 2009).

In the years 1918-1989 the modernization of higher education was determined by both historical factors, in particular the regaining of independence, the period of occupation, the post-war period, as well as political factors. The analyzed period shows that deeply rooted traditions and academic values allowed not only for the survival of the difficult period of occupation and the related period of underground teaching, but also contributed to the reconstruction of higher education in the post-war period. In contrast, the significant year 1989 was a contribution to the initiation of changes that many call revolutionary. Once again, it turned out that historical, political and economic events were the genesis of changes in higher education.

June 1989 was a symbolic rejection of the thought of socialism as an ideology that determined the form of the social system, so there was a chance to build a new political and socio-economic order that gave rise to democracy and the free market economy. The systemic transformation became the beginning of structural and institutional changes in all spheres of socio-economic life, including the education system, at all its levels. However, the new reality soon revealed shortages of education at the tertiary level, first of all, the shortages of specialists who were prepared to solve problems specific to the market economy, mainly in the field of economics and management (Ćwikliński, 2005; Szabłowski, 2001).
The review of higher education in 1989 pointed to the need to demonopolize higher education and adapt it to the needs of a democratic, free market society (Schneider, 2005). The above-mentioned Act on Higher Education of 1990 aimed to solve the identified problems of higher education (Journal of Laws No. 60, item 385). The economic transformation lifted the limitations of development and system reconstruction of higher education, which were reflected in extending the scope of academic freedom, HEI autonomy and self-government rights (Thieme, 2009). An education reform allowed for establishing non-public schools and for-profit activities of the HEI. In addition, the role of the Central Council of Higher Education changed. After the law came into force, higher education in Poland entered the period of rapid quantitative growth resulting from the functioning of market mechanisms in the conditions of rapidly growing educational aspirations of Polish society. The net enrolment ratio in 1990 was 9.8%, while 5 years later it was almost twice as high. In 1991 there was one non-public HEI, two years later there were 36 of them, and in 2002 as many as 252 (CSO).

Academic freedom and institutional autonomy guaranteed in the 1990 Act were also maintained in subsequent amended acts that regulated higher education in 2005 (Journal of Laws No. 164, item 1365), 2011 (Journal of Laws No. 84 item 455) and 2014 (Journal of Laws of 2014, item 1198). In 2005, the Central Council for Higher Education, the State Accreditation Committee and the Conference of Rectors were legally authorized. The year 2011 brought a National Qualifications Framework (Leja, 2013), and 2014 the possibility of inter-university studies or dual study programs with employers. In addition to these acts that successfully guided the evolution of higher education, there were draft strategies for the development of higher education. It should also be emphasized that its current shape is the result not only of national legal acts but additionally it was determined by actions taken to fulfill obligations under the Bologna Declaration, including the creation of a European Higher Education Area with the possibility of increasing mobility of students and research and teaching staff. The next stage of evolution or even the next revolution will be the Act 2.0, the Constitution for Science, currently developed and still discussed and implemented as of October 2018.

The implementation of the Lisbon objectives a way of the development of Polish higher education at the European level
The accession of Poland to the European Union had an impact not only on the politics or economy of the country, but as a result of the signed documents, it determined the shape of education at the tertiary level. The priority in this area should be attributed to the Bologna Declaration, under which the Ministers of individual signatory countries voluntarily agreed to implement the demands contained in the document. The signed declaration initiated the
implementation of the so-called The Bologna Process, which is an attempt to undertake European activities aimed at creating the EHEA - the European Higher Education Area (Cyran, 2012).

The European Union's work program 'Education and Training 2010' clearly emphasized the role of HEI modernization and the undertaking of reforms that will be刺激ized within the framework of the Bologna Process. The goals set were to be implemented in response to many challenges, which included the achievement of a certain level of quality, the professionalization of HEI management and increasing the responsibility of higher education institutions, as well as increasing the funds allocated to HEI funding, while diversifying their sources (Figel, 2009).

Increasing the attractiveness of higher education, and hence competitiveness in the European market, but first of all, making higher education systems in the member states similar to create the EHEA determined many changes not only at the ideological or awareness levels, but also at the legislative level. These systems were to be harmonized, among others through the implementation of the following tasks: the introduction of the Diploma Supplement, the adoption of a two-cycle education system, the application of credit points - ECTS or the promotion of the mobility of students and academic teachers (Geryk, 2007). The main challenge for Polish higher education was the introduction of further legal acts at the national level, which intended to correspond with the assumptions for the establishment of the European Higher Education Area. The introduction of the 2005 Law on Higher Education, which took into account the recommendations of the Bologna Declaration, such as, for example, two-cycle programs, was of key importance. The next steps in the implementation of the Bologna Process recommendations are amendments to the 2005 Act in 2011 and 2014. The National Qualifications Framework was established, which aimed to contribute to the increased transparency and quality of skills acquired during higher education. The main challenges that Polish HEIs faced are creating conditions that will allow Polish HEIs to be granted European status. The first stage of the implementation of the undertaking, which is the Bologna Process, is modernization based on legal acts resulting from the recommendations of the signed declaration and issued communiqués. Another group of changes resulted from international agreements signed, under which students take part in international exchanges, diplomas and degrees are recognized outside of Poland, Poland joined the European Quality Assurance Register for Higher Education (EQAR) and Poland is included in the initiative of the European Association for Quality Assurance in Higher Education (ENQA). The last, third group of reforms are all changes that were not included in the first and second group. They include reducing social inequalities that are main obstacle to access to higher education, promotion of LLL –
lifelong learning or ensuring equal access for all students, including the adaptation of the HEI to the needs of people with disabilities (Cyran, 2012; Marszałek 2011).

The effective implementation of reforms resulting from the Bologna Declaration in the Polish realities was supervised by many organizations and institutions in the higher education sector. They include the Central Council for Higher Education, the State Accreditation Committee (currently the Polish Accreditation Committee PKA), the Bureau for Academic Recognition and International Exchange, the Foundation for the Development of the Education System, the Conference of Rectors and the Students’ Parliament of the Republic of Poland. All changes are supervised by the Minister of Science and Higher Education (Cyran, 2012).

The challenges were a significant reason for introducing many reforms that should be viewed from the perspective of time in terms of the success of the higher education system. It is proven, inter alia, by increased gross enrolment ratios (table 1). Taking into account the first quarter of a century since the introduction of the Higher Education Act, the coefficients have increased almost fourfold. Thus, a significant desire to learn was observed, which was probably intensified by facilitating access to education for students in many localities, because under the Act, non-public HEIs were established in cities where it was not possible to take advantage of higher education. In addition, the problems of financing education were largely solved by introducing a scholarship system. The development of the Polish higher education sector should be highlighted as the undoubted success of the implementation of the EHEA development process. In addition, the possibility of cooperation between academic centers in Europe creates further opportunities for the development of HEIs, as well as students or employees that participate in scientific-didactic programs such as ERASMUS

| Table 1: Enrolment ratios in higher education in Poland in 1990-2017 (in %) |
| Gross | 12.9 | 22.3 | 40.7 | 48.9 | 49.9 | 51.1 | 52.7 | 53.7 | 53.8 | 53.1 | 51.8 | 49.2 | 48.1 | 47.6 | 47.4 |
| Nett | 9.8 | 17.2 | 30.6 | 38.0 | 38.8 | 39.7 | 40.6 | 40.9 | 40.8 | 40.6 | 40.2 | 38.6 | 37.8 | 37.3 | 36.8 |


New challenges that Polish HEIs faced had three main sources, namely changes in the environment where they operate, modernization resulting from the implementation of the
Bologna Process and strategic challenges that result from the need to consider business as a market entity which operates not only in domestic but also European markets.

**Negative forecasts for higher education in Poland**

The initial period of introducing reforms in the higher education sector was accompanied by favorable trends related, among others, to a mass willingness to study at the tertiary level and, at the same time, to the expansion of the higher education structure, mainly due to the establishment of non-public higher education institutions, an increase in the number of students and a huge demand of the economy for specialists, mainly in the field of management.

Year by year, the number of students increased to reach a record high in the academic year 2005/2006. The growth rate of the higher education market, compared to 1989, was 416% at that time (CSO, 2004). However, as it turned out in 2006, a decreasing number of people studying at the tertiary level was observed. A gradual decrease in the number of students was determined by the decline in the total number of people aged 19-24, i.e. nominally assigned to higher education, but also a decrease in the willingness to study was observed, which was reflected in diminishing enrolment ratios. This state of affairs indicated that the reasons for the decline in the number of students should be sought not only in demography, but also in high, though gradually decreasing, willingness to have a university graduation diploma. The measure of the universality of education showed a growing trend until the academic year 2010/2011, and then it began to decline. Data from the 2016/2017 academic year indicate that this decline amounted to 6.4 p.p. (regarding the gross enrollment ratio), showing a still declining trend (CSO, 2005-2017).

The number of students until the academic year 2005/2006 (Table 2) increased dynamically, among others due to the favorable and long-term demographic boom. In the following years, only a drop in the number of students was observed. A record decline value was recorded in the academic year 2013/2014, where the total number of students, compared to the preceding year, was lower by 127,049 people who studied at the tertiary level. The last academic year analyzed by the Central Statistical Office (2017-2018) showed a continuing trend. The number of students was 1,291,900 and it was close to that recorded almost 20 years ago (in the academic year 1998/1999). Although the number of people studying at the tertiary level is currently higher by 913,500 compared to the base year 1989/90, the crisis associated with the declining demand for higher education services has become a real threat for higher education institutions.
Table 2: Number of students in Poland in 1989-2018

<table>
<thead>
<tr>
<th>Academic year</th>
<th>Total number of students</th>
<th>Change in the number of students in subsequent years</th>
<th>Academic year</th>
<th>Total number of students</th>
<th>Change in the number of students in subsequent years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996/1997</td>
<td>927 480</td>
<td>132 838</td>
<td>2011/2012</td>
<td>1764060</td>
<td>-77 191</td>
</tr>
<tr>
<td>1998/1999</td>
<td>1273955</td>
<td>182 114</td>
<td>2013/2014</td>
<td>1 549 877</td>
<td>-127 049</td>
</tr>
<tr>
<td>1999/2000</td>
<td>1431871</td>
<td>157 916</td>
<td>2014/2015</td>
<td>1 469 386</td>
<td>-80 491</td>
</tr>
<tr>
<td>2000/2001</td>
<td>1584804</td>
<td>152 933</td>
<td>2015/2016</td>
<td>1 405 133</td>
<td>-64 253</td>
</tr>
<tr>
<td>2001/2002</td>
<td>1718744</td>
<td>133 940</td>
<td>2016/2017</td>
<td>1 348 822</td>
<td>-56 311</td>
</tr>
</tbody>
</table>


In 2011, the Socrates Institute prepared a forecast, which showed that by 2020 a group of people at the nominal age assigned to higher education will amount to 2.32 million people, and the number of university candidates will decrease threefold (the Socrates Institute of Intellectual Capital Development, 2011). As the quantitative data show, the unfavorable downward trend occurred. It undoubtedly became a factor that determined the liquidation of numerous HEIs. According to the forecast, the most adverse effects of a demographic decline will be felt by non-public higher education institutions, including, and in particular, the offer of full-time studies. Negative scenarios for higher education are also visible in the presented diagnosis of the demographic decline and its effects until 2050 (Rączaszek, 2016).
The forecasts began to be fulfilled both in the case of students and higher education institutions. The first slight change was observed in the academic year 2010/2011, where one public higher education institution was liquidated. The following year maintained the status quo in this area, unfortunately, subsequent years were a confirmation of the forecasts. Non-public HEIs disappeared from the map of Poland (Figure 1), going into liquidation or consolidating with other HEIs.

![Figure 1: Number of HEIs in Poland in the years 1992-2017](image)


Concluding synthetic discussion about adverse quantitative changes in higher education, it should be pointed out that they have a huge impact on the activities undertaken by Polish HEIs. They try to overcome the problem of declining demand for higher education by recruiting foreigners. Over the years 2000-2017, the number of international students have increased tenfold, from 6,563 to 65,793 people. The growing competition not only from domestic HEIs, but also from Western Europe seems to be significant. The response to the emerging unfavorable phenomena and limitations of other resources of HEIs is the professionalization of management, including drawing on the business sphere experience.

**Strategies for the development of higher education**

Stabilization in the higher education sector is a thing of the past. Higher education is increasingly subjected to the pressure of competitive competition, and consequently, higher
education institutions are strongly influenced by the environment, including students and other stakeholders. "The autonomy of a higher education institution, which is guaranteed by current and expected legal solutions, does not mean independence from the environment. Polish higher education institutions [...] go through the successive stages of transformation. The first stage - an increase in the number of students - has been completed, the second stage - improving the efficiency of public finances - is in progress, the third stage - partnership with the business sector - is ahead" (Leja, 2013).

The review of higher education was only the beginning of further actions taken by the sector as a whole, which should point to the necessity of demonstrating strong flexibility towards the environment and using business sector experience, especially in the context of long-term planning of higher education activities. Subsequent Polish governments presented documents of a strategic nature, which highlighted the problems of higher education. These documents include The National Foresight Program "Poland 2020", "National Development Strategy 2007-2015", "The National Reform Program for 2008-2011 for the implementation of the Lisbon Strategy", "Directions for Increasing Innovation in the Economy 2007-2013", "Government Strategic Planning" (2008), "Strategy for the Development of Science in Poland until 2015" (2009), "Report on Poland's Intellectual Capital (2008), report "Poland 2030 - Development Challenges", and amendments to the Law on Higher Education and the Law on Academic Degrees and Academic Title and Degrees in Art (2009). The first attempts to build a strategy dedicated to the higher education sector date back to 2009 and 2010. The Ministry commissioned "Strategy for the Development of Higher Education in Poland until 2020" (two options were developed), which was announced in February 2010. A year before (in 2009) "Strategy for the Development of Higher Education 2010-2020. The Environmental Project" was published, prepared by the Polish Rectors Foundation (FRP), and commissioned by the Conference of Rectors of Academic Schools in Poland (CRASP). The idea behind the development of a national strategy was to facilitate the development of HEI strategies (Pabian, 2014).

The strategy prepared by the FRP and commissioned by CRASP ("environmental project") definitely shows the intensification of work related to the standardization of the conditions of operation of public and non-public HEIs, and thus the creation of conditions for the operation of HEIs within the framework of the single higher education market. Work related to maintaining the academic tradition is also visible. Rectors do not forget to take into account new conditions, i.e. market conditions, which allow HEIs to compete, however, mainly in terms of the quality of education offered, confirmed by accreditations, even on an international scale. The model of HEIs which proposes "Strategy for the Development of Higher Education 2010-2020.
The Environmental Project" resembles the combination of two scenarios proposed by the Organization for Economic Cooperation and Development (OECD) (www.oecd.org/edu/ceri/38073691.pdf). The first refers to the internationalization of higher education as Open Networking. The second is higher education focused on New Public Responsibility; in this case fees for studies and competition-based fund allocation are introduced, the autonomy of a HEI is extended, even pursuing its privatization. As regards "Strategy for the Development of Higher Education in Poland until 2020", the model of higher education resembles the New Public Responsibility option. However, none of the strategies resembles a model in which higher education operates strictly on market terms (Higher Education Inc.). In such a model, liberalization in the sphere of science and education is observed, with the state withdrawing from the sector at the same time.

To sum up the topic of the strategy for the development of higher education, the aim of the project should be highlighted. The development of the strategy proposal aimed at the efficient HEI management while pursuing policy towards higher education. Both foregoing documents were broadly discussed. One of the debates was organized by the editors of "Polityka" (http://www.nauka.gov.pl/aktualnosci-ministerstwo/o-strategiach-szkolnictwa-wyzszego-w-polityce,archiwum,1.html). Panelists had different opinions. However, the postulates included the development of a single government document based on two projects prepared and considered to be substantively correct. The development of a higher education development strategy was recognized as a groundbreaking task, especially because no efforts were made in this direction at the beginning of the political transformation in Poland. In the wake of the documents discussed, many HEI equivalents were prepared (higher education institutions were required to do so by the amended Law on Higher Education), which were presented on HEI websites. They approached the assessment of their assets (including market ones) with due diligence and then compared them with environment conditions. The missions of HEIs were specified, which often emphasized the elements of innovation or entrepreneurship in the higher education process. Half of the cases analyzed introduced a strategy for the period until 2020, which characterizes strategic planning. Strategies adopt from three to seven goals or strategic areas. In two out of three HEIs, the strategy card or the scorecard was part of the strategy (Lewandowska, Zygarłowski, 2012). It can be said that this was the first of the facts which indicated that HEIs noticed the necessity of analyzing their activities in a broader, market context, and in addition, it was an example of drawing from the experience of for-profit sector entities, which in the initial phase of the transformation of the sector was considered to be inappropriate for higher education.
The market concept of the HEI operation

The 1990 Act on Higher Education, giving the right to undertake founding initiatives and, as a consequence, to establish private, now called non-public HEIs, contributed to the creation of a specific higher education market. Activity within new market structures was a huge challenge, especially for public universities, which were accustomed to pre-transformational order, in which “the continuity of the HEI was ensured by the state budget, and the power resources were obtained through political and administrative bargaining for the best allocations. Subsidizing bodies did not think much about the internal efficiency of those subsidized. HEIs operated on the principle of industry-spatial monopolies, which possessed the natural ability to self-sustain. This was because a monopolistic organization always appropriates resources that can be appropriated” (Altkorn, 2003).

A higher education market, partially privatized, is dual, because it consists of two mutually dependent markets: public, so-called free education and commercial, paid education. The subjective structure of higher education is also complicated, under which public and non-public HEIs can be distinguished, and it does not coincide with the presented division of the market. Both public and non-public HEIs operate in both markets, where the degree of their commitment varies (Pabian, 2005). The coexistence of public and non-public HEIs at various stages of development was a challenge for the sector as a whole. The postulate of non-perpetuation of antagonistic divisions was reflected in the attempt to implement the principle of sector convergence, which allowed HEIs in both sectors to harmoniously cooperate, without excluding the simultaneous competition between them (Pabian, 2016).

Both non-public and public HEIs faced a number of challenges. The former had to face a staff problem at the beginning (there were not enough academic teachers) and shaping their image. On the other hand, public HEIs were forced to increase expenditures on material infrastructure and support for students as a result of the development of non-public HEIs. The solution to the problems of shortage of human resources was offered by the employees of public HEIs, who also conducted classes at non-public ones. As it turned out, this solution led to multi-jobbing, which in the long term could pose a significant threat to the quality of education.

Market location meant that HEIs, especially in the non-public sector, began to draw on business experiences and apply marketing rules and principles to HEI management. Before the economic transformation one could only talk about central administration, which did not significantly affect the development of innovative activities of individual HEIs. The continuity of a HEI was ensured by the state, which financed all of its limited expenses. The market reality verified the existing ways of functioning and became the generator of subsequent challenges. HEIs had to undertake activities aimed at getting rid of amorphousness and creating a positive
image among stakeholders the group of whom grew considerably. Higher education was perceived multidimensionally, i.e. not only from the angle of the state interest, but to an increasing extent taking into account the interests of participants in the educational process, namely students and academic teachers, as well as employer and society as a whole. Initiatives undertaken by HEIs made it necessary to diversify the sources of their financing, which enabled designing an educational offer and its promotion.

As it turned out, some part of the academic environment opposed to the use of marketing by HEIs, which considered marketing rules and principles to be inappropriate for higher education (Krzyżanowska, 2004). The questioning of the legitimacy of the use of marketing resulted mainly from the conviction that HEIs conduct activities of particularly valuable social usefulness and already deserve support in this respect. Proponents of this view considered marketing as a primitive activity, focused only on the implementation of short-term goals. In fact, the role of marketing is to make the mission realistic, and thus to ensure the development in the direction expected by HEI authorities and society. Although nearly 30 years have passed since the transformation, and the activities undertaken by HEIs in the field of marketing are in many cases professional, they are still controversial.

The adaptation of marketing rules to HEI management made it necessary to redefine several fundamental concepts. An educational service became a product that satisfies educational needs, a student became an active market participant (Drapińska, 2007), and a HEI is a service quasi-enterprise. Therefore, concerns were raised about the effects of shaping the educational offer in terms of market needs, and in particular the possibility of resigning from the fields of studies that are not very popular, in favor of fields and specialties that are in line with the ad hoc needs of university candidates. An argument was also put forward that the perception of a student as a client poses a threat of being under pressure towards lowering the requirements in the education process. Ultimately, this may lead to deterioration in the quality of education and lower academic standards. And in extreme case, if an educational service is treated as a commodity, you may be convinced that education and related diploma can simply be bought. And if the diploma obtained thus does not guarantee a job for a graduate, they can blame the HEI, which offered knowledge useless on the labor market (Pabian, 2015).

Opposition to subjecting HEIs to market stimulation was also associated with the *McDonaldization* process both in the scientific and didactic area, where fast education is observed with a given number of hours, with the need to gain an appropriate number of points by students and research and teaching staff. In such cases, typical features that are characteristic of the *McDonaldization* process are adhered to. They include efficiency,
measurability, control or predictability, and consequently there is a high risk for the quality of education in favor of the development of appropriate quantitative indicators (Pabian, 2017).

Despite the resistance to follow the rules of the market game by HEIs, important premises were observed over time, which pointed to the growing degree of market orientation of HEIs (PORU) in Poland. Research conducted in 2014 by the author showed the level of HEI activity in relation to the market (table 3). Research results revealed certain regularity in the case of the various types of HEIs. The degree of fulfillment of the market orientation discriminants is higher at non-public HEIs, amounting to 3.73, while at public HEIs it was 3.07. In both cases, a different degree of adaptation to the conditions of operation in the market economy can be identified. In the former one it is high, in the latter one it is significant. Contrary to expectations, disproportions in the evaluation are not large, but they resulted in the implementation of the marketing concept at a different level. The period when a HEI was established was also an important factor affecting the level of PORU. It turns out that HEIs established in the years 1944-1989 show the lowest level of market orientation, and HEIs founded after the economic transformation – the highest, which seems to be natural. The difference of 0.64 points is observed between the values analyzed, which illustrate the degree of compliance with the functioning in market conditions. It can therefore be concluded that one of the HEIs opens a scale for a significant level and the other one for a high one (Pabian, 2015).

Table 3: Indicator of the market orientation level of a HEI by its type, a period of establishment and educational courses offered, calculated based on the opinions of their staff

<table>
<thead>
<tr>
<th>Specification</th>
<th>Categories</th>
<th>PORU (by growing values)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEI type</td>
<td>Public HEIs</td>
<td>3.07</td>
</tr>
<tr>
<td></td>
<td>Non-public HEIs</td>
<td>3.73</td>
</tr>
<tr>
<td></td>
<td>Non-public HEIs with Master’s</td>
<td>3.83</td>
</tr>
<tr>
<td>Period of HEI establishment</td>
<td>HEIs established in 1944-1989</td>
<td>2.94</td>
</tr>
<tr>
<td></td>
<td>HEIs established before 1939</td>
<td>3.13</td>
</tr>
<tr>
<td></td>
<td>HEIs established after 1989</td>
<td>3.58</td>
</tr>
</tbody>
</table>

Research into the market orientation of HEIs in Poland allowed for the identification of its determinants and regularity. It was surprising that public and non-public HEIs can be generally described as market-oriented, which in the context of the discussions on the legitimacy of implementing marketing rules and principles and the use of business experiences in HEI
management was an interesting discovery. As T. Hayes points out, marketing in higher education will evolve and its character will change. It will be rarely treated as an auxiliary function, and will take more often the form of strategic activities, which seems justified in the context of the negative demographic forecasts presented above. This evolution is to be triggered by factors such as unfavorable economic trends, a related decrease in the number of people at university age, competition for students and a turn towards the value of the service offer due to increasing fees for higher education. In addition, marketing departments will be combined with strategic planning activities due to the rapidly changing external environment of the HEI (Hayes, 2011).

The professionalization of HEI management
Breaking the monopoly of public HEIs led to a change in the order in higher education, and thus the elimination of many administrative or organizational barriers (Kaczmarczyk, 2009). With time, the dual sector generated factors affecting the rivalry between HEIs. Before the economic transformation, this bureaucratic state apparatus imposed the implementation of specific plans, which, by definition, excluded competitive activities. Changes that higher education underwent led to an evolutionary change from the role of a traditional to entrepreneurial HEI. Reasons for this state of affairs can be found in the progressive globalization, commercialization of social life and reduction in the role of the state, which is the supervisor of higher education, as well as the changeability of student preferences (Wiśniewska, 2014).

The centuries-old academic tradition became the main generator of problems in the area of implementing new tasks by HEIs and using innovative tools for this purpose. The merger of two Humboldtian and entrepreneurial models of higher education results from the necessity of cooperation between academic culture HEIs and commercial HEIs” (Wiśniewska, 2014). The very idea of creating such a hybrid HEI is controversial, and an attempt to implement it is a difficult task. "The situation in the higher education market ensures conditions in which the threat of insufficient demand for education, with additionally a large number of HEIs (non-public in vast majority) becomes a real threat to the functioning of the HEI, and for most even a threat to market existence. This may, therefore, lead to a situation when higher education entities will apply ever more cutting-edge solutions developed in the sphere of business, which will allow for maintaining business continuity and achieving a competitive advantage "(Pabian, 2016). Such a continuity of activity before the economic transformation was ensured by the state, which imposed a certain pattern of achieving goals. In addition, HEIs were fully financed by the state, and their task was limited only to administration, not being a synonym of management, of funds received. In addition, subsidizing bodies did not attach too much importance to the effectiveness
of the funds allocated. The contemporary realities give HEIs, and thus their authorities, a much wider scope of activities, rights and responsibilities. Both public and non-public HEIs operate in the market, which are subsidized by the state to a greater or lesser extent. The fact is, however, that it is necessary to diversify the sources of financing for higher education institutions. Source identification, application for subsidies, and then managing the funds received are the responsibility of applicants, i.e. HEIs, headed by the Rector, who manages (plans, organizes, motivates and controls) it. The scope of functions performed by the Rector has been significantly expanded. It is not enough to just dispose of funds, a more important dilemma is to obtain the new sources of financing, and thus to make efforts to develop HEI innovativeness.

A modern HEI is primarily an organization that is professionally managed. "Good HEI management is based on the most effective use of limited resources. In addition, professional management, understood as the institutional ability to deal with challenges and the ability to anticipate, create and use opportunities is a factor that determines the stability of HEIs" (Jóźwiak 2003 as cited in: Wiśniewska 2014). Higher education management is inseparably related to a Rector, who in the years 1982-1990 was the highest executive body, in the years 1990-2005 he/she managed HEI activity, representing it outside and being the superior of all employees, and since 2005 he/she has also implemented and developed HEI development strategy (Leja, 2013). Therefore, a question arises: Do outstanding scientists, authorities in their fields, have, in fact, managerial skills to manage a higher education institution? Management skills make it much easier to plan and implement HEI development strategy. Own research conducted in 2014* seems to be a proof of this thesis (Figure 2).

![Figure 2](image)

**Figure 2:** Who should manage a HEI and how he/she should be appointed (in %)

Source: own study based on surveys conducted into market orientation.
Key:
Option A—a postdoctoral research fellow elected by the HEI community.
Option B—a postdoctoral research fellow appointed by a supervisory board/council or founder.
Option C—a postdoctoral research fellow not necessarily from the HEI, appointed by a supervisory board/council or founder.
Option D—a research fellow (at least with the PhD degree) appointed by the supervisory board/council or founder.
Option E—a manager with relevant experience in organization management appointed by a supervisory board/council or founder.

Respondents recommended a manager to manage both public and non-public HEIs, thus choosing a market option, which indicates that the academic environment also recognizes the importance of implementing modern solutions in HEI management. However, will a manager, as a person operating in the for-profit sphere, be equally involved in the HEI scientific development? Maybe it is necessary to entrust the manager with a role supporting the Rector's decisions? Professor Andrzej Jajszczyk emphasized that an ideal solution for a HEI would be a solution used in many non-public HEIs, that is separating the positions of rectors as representatives of the academic world and managers (with the function of a chancellor), who manage a company, that is a higher education institution (Jajszczyk, 2013).

During the conference titled “Modern challenges in HEI management” Professor J. Woźnicki stressed that “the decade we are in is a decade of the intensification of thinking of improving HEI management processes”, whereas Professor M. Rocki expressed the opinion that "a higher education institution as an effective organization must draw on the experience of a corporation, because it must be professionally managed" (naukawpolsce.pap.pl, 2017). HEI management should not be “associated primarily with organizational chaos, and spontaneous or improvised activities” (Marciszewska, 2014). They should be professionalized due to the fact that increased attention is paid to the effectiveness of undertakings and their outcome in the form of the quality of education offered. A HEI management model should be modernized by combining two trends, the academic one, where emphasis is placed on the ethos of promoting the truth and transferring knowledge with a modern managerial concept, where the idea of market orientation of higher education institutions is highlighted (Seweryński, 2015).

The previous discussion raised only the problem of HEI finance management, however the functioning of modern HEIs is also assessed in terms of human capital management, human resources management, and knowledge management (Gajda, Cichoń, 2015 and du Valla, 2011), quality management, marketing management or more specifically, HEI image management. Problems resulting from process management (Cieciora, 2017) or strategic
management (Chluska, 2016) are increasingly raised. A multitude of management "varieties" may, however, lead to a paradox and only the ostensible use of business experiences. In turn, recruitment is discussed increasingly less often, in favor of the recruitment strategy. A higher education institution is considered in terms of service quasi-enterprise that offers an educational service, but also various consulting, training and expert services.

The importance of a HEI management process is also emphasized by the "Leaders in University Management - LUMEN" competition organized by the Perspektywy Education Foundation and the consulting firm PCG Polska. The organizers stress the point that the idea behind the announcement of the competition was the professionalization of the management of a HEI they intend to promote at every level (PAP).

It is also worth highlighting the fact that a contemporary HEI is not an autonomous institution isolated from the economy. Today, it is already part of a huge system whose elements interact with each other. Therefore, it seems to be important to conduct analyses of the both closer (competitive) and further HEI environment. It is inevitable therefore to start a rivalry between competing units. An enterprising HEI is able to make the organization more flexible and improve the ability to adapt to change (Leja, 2013). A modern or entrepreneurial HEI is "a multidimensional institution, operating in many areas, seeking new opportunities and actively contributing to its future […], characterized by flexibility in adapting to the changing market conditions of education and research, still searching for new competitive advantages" (Pluta-Oleannik and Krajewska-Smardz, 2011). As such, it uses non-standard solutions, which include consolidations, i.e. the unions of higher education institutions (mergers or acquisitions) and hybrid cooperation, such as clusters or co-opetition (Pabian, 2016).

CONCLUSION
The years 1990-2018 is an extremely important period for higher education that can be described with several terms: transformation, revolution, change, modernization or evolution. The subsequent stages of the development of Polish HEIs were related to many challenges that have determined the current shape of the higher education sector, and opportunities used should be considered in terms of academic success. After the economic transformation, HEIs faced the problem of preparing students for the needs of the developing market economy. The demonopolization of higher education is considered the greatest success, which determined next priority activities in the sector. However, as Professor K. Szafraniec highlights, "the withdrawal of the state from the role of a reformer" (Szafraniec, 2016) has only adverse effects, which include "spontaneous, uncontrolled changes, with adverse effects in the form of privatization and excessive growth of the non-public HEI sector, multi-jobbing, mass education,
and erosion of the academic ethos" (Szafraniec, 2016). However, one cannot deny the fact that the higher education sector developed, among others, by establishing non-public HEIs that responded to the surplus demand for higher education. In their essence, they were more flexible, and thus, from the beginning of their operation, more sensitive to signals coming from the market. This mainly applies to the original fields of study and infrastructure, which became a challenge for public HEIs as a result, which were forced to increase expenditure on student services. Moreover, a HEI market position and the release of academic entrepreneurship was an opportunity for development, but it was fortified with further challenges. Higher education institutions began to implement marketing rules and principles to HEI management, tasks performed were intuitive initially, but management was professionalized with time, and HEI development was planned in the strategic horizon.

What is important, challenges were generated not only by the domestic environment, but also by the European market. One of the most important challenges is to make efforts by Polish HEIs to co-create the European Higher Education Area and the outcomes of actions can determine the success of HEIs, especially in the context of the recognition of diplomas, degrees and academic titles. Balancing the effects of the most important events (Figure 3, appendix), which affected the current shape of the higher education sector, it should be pointed out that they contributed to development but they were often threats resulting from insufficient or misunderstood market orientation, which is not a permission to decrease the quality of education, caused by declining requirements towards the student-client or, finally, the reduction of the academic teacher’s authority.

The upcoming academic year 2018/2019 will bring further changes caused by the implementation of the legal act regulating higher education issues. It is a response to the weaknesses of Polish higher education, including in, particular, distant places in global rankings of the best higher education institutions. The near future will show whether the new legal act will set new challenges that will turn into successes of higher education institutions or system failures.

WAY FORWARD

The new legal act regulating higher education issues will be the main factor generating challenges in the nearest future, which can become successes or threats for HEIs. In the context of many doubts that arise due to the legislation, it is particularly important to identify the academics’ opinion on the main disadvantages of the Constitution for Science and the proposals for their neutralisation. Furthermore, the behavior of HEIs and the Rectors’ opinion on the future ways of development determined by the legal act is a very interesting field of study.
The act is intended to be implemented for a few years, therefore the main research can be conducted after the entire process of making changes is completed. The aim of the exploration will be to estimate the degree to which the objectives planned by the Ministry of Science and Education have been achieved. Research will be conducted that will consist of a few modules. The first stage is to prepare the referential entity which will illustrate an ideal HEI. The criteria based on which the model is built will be the guidelines for the research. HEIs will be evaluated in the context of academic (educational), entrepreneurial and empirical activities. The result can be compared with previous research. Furthermore, the result will be compared with the reforms implemented. To complete the research, quantitative indexes related to the number of operating, consolidated and decommissioned HEIs and demand will be analysed. It will be also very important to gain information about places in global rankings that the best higher education institutions occupy. To sum up, the research planned will allow for evaluating implementing legal reforms, what will show us that the process was success or challenges.

REFERENCES


Pabian A. (2017), Ukierunkowana rynkowo uczelnia w kontekście zagrożeń wynikających z procesu mcdonaldyzacji. Handel Wewnętrzny, nr 1(366), 41-55.


**Legal acts**

The Act of 13 July 1920 on Academic Schools (Journal of Laws No. 72, item 494).

The Act of 15 March 1933 on Academic Schools (Journal of Laws No. 29, item 247).


Figure 3: Evolution of higher education in Poland - from traditional to enterprising HEIs, taking into account the main challenges in the sector modernization (1989-2018)

DECLARATION

* The research process was conducted from April 2014 to July 2014 as part of the preparation of the doctoral dissertation entitled "Determinants and premises of the market orientation of higher education institutions in Poland" written under the supervision of prof. dr hab. Roman Niestrój. The survey was conducted among research and teaching staff of Polish higher education institutions and their students. A sample was purposive. In total, 938 respondents participated in the online survey.