

## **Creating social capital**

### **Creating social capital: the impact of international programmes on Polish and Romanian higher education**

**Dr Paul Temple**

**Institute of Education, University of London**

School of Lifelong Education and International Development  
Institute of Education, University of London  
20 Bedford Way  
London WC1H 0AL  
United Kingdom

tel +44 20 7612 6463  
fax +44 20 7612 6632  
email p.temple@ioe.ac.uk

#### **Abstract**

This paper argues that the impact of international programmes intended to improve the effectiveness of higher education institutions in transitional states is related to the extent to which the programmes are successful, through their various projects, in creating social capital within the institutions concerned. Based on case studies of similar institutions in Poland and Romania, the paper finds that projects developed within the institution had a more lasting impact on organisational change, even when the project was of an academic nature, than did externally-directed projects which were actually focused on achieving institutional change. Social capital theory offers an explanation of this difference, and suggests what the mechanisms at work may be.

#### **Keywords**

higher education  
international programmes  
Poland  
Romania  
social capital

## Introduction

This paper examines aspects of the impact, during the 1990s, of international programmes on universities in two Eastern European countries, Poland and Romania. One institution from each country is taken as a case study: the Warsaw University of Technology's Faculty of Civil Engineering (*Politechnika Warszawska, Wydział Inżynierii Łądowej*); and the Technical University of Civil Engineering in Bucharest (*Universitatea Tehnica de Construcții București*). I will refer to the former by its Polish initials, WIL, and to the latter by its Romanian designation, UTCB.

The two institutions were selected for study on the grounds that they were broadly similar in size and in academic and professional orientation; both were in capital city locations; and there were some notable similarities in their histories (Fatu, 1998; Wagner, 2001). It is not the purpose of this paper to examine the academic and organisational traditions and methods of the two institutions in any detail. It is perhaps enough to note that both were rooted in the Germanic, Humboldtian tradition of university organisation, and both experienced 40 or so years of communist rule. The character of this differed between the two countries, and within each country it differed considerably over time (Simons, 1993). Nevertheless, it is fair to claim that the cultures of both institutions, at the turn of the twentieth century, had been strongly conditioned by the same dominant forces.

While by no means discounting the importance of national contexts, I suggest that, when studying external interventions, changes detected between the two institutions may, in the circumstances I have outlined, be more likely to arise from differences in the character of these interventions (in this case, the international programmes), rather than as a result of the institutions simply being different (Ragin, 1987: 45).

I argue that social capital theory can help to explain the relative effectiveness of different types of international projects. Social capital theory claims that the study of networks, their roles in information exchange, and the trust that they may engender, helps in understanding how organisations of all kinds, as well as society more widely, function. Social capital itself may be defined as social

networks, the norms of reciprocity and trust that arise from them, and the application of these assets in achieving mutual objectives (Putnam, 2000: 19; Schuller, Baron and Field, 2000: 1). Social capital theory is beset by logical and methodological difficulties (Portes, 2000); nevertheless, I share the view that it offers a means of generating new insights and understandings about complex social phenomena (Lin, 2001; Schuller, 2004).

The fieldwork for this study, including interviews with academic and administrative staffs at the two institutions, supported by documentary study, was undertaken during 2002-04.

### **Higher education system change in the two countries**

My two case studies are of state institutions. It is therefore necessary briefly to consider how the national systems of higher education have changed in recent years in the two countries, as this has affected the ways in which institutions themselves can respond to change.

In Romanian higher education, important changes occurred at system level during the 1990s, under the influence of various international aid programmes. Detailed Ministry control of the universities was reduced, allowing them to exercise more authority over curricula, student admissions, staff appointments and their estates, for example (Marga, 1998: 5). The most far-reaching change, however, was the introduction in 1999 of a formula-driven funding system for the universities, based mainly on student numbers, removing the need for constant, detailed financial negotiations between universities and the Ministry over line-item budgets. Additionally, the introduction of student tuition fees provided universities with a funding stream independent of the Ministry (Miroiu and Dinca, 1999).

In Poland, change was less noticeable. Government financial allocations to universities for teaching purposes were calculated by a complex algorithm that essentially funded existing staffing establishments and provided student support, with only a small factor related to actual student numbers. Research funds were allocated mainly according to institutional size and reputation (OECD, 1995). While bilateral and multilateral agencies were active in Poland during the 1990s, unlike in Romania they had, it seems, little impact on system-level processes in

higher education. We may speculate that the perceived rapid progress of modernisation generally in Poland, and a self-confident political and administrative class, deterred external engagement with topics of this kind. Jasinski (1997) and Juszczak (2000) have argued that a tradition of centrally-planned higher education initiatives, combined with inward-looking universities, have slowed change in Poland. No doubt this is true, but the same factors have not prevented change in Romania and elsewhere. Whatever the reasons, little system-level change has been reported in Poland during the last few years (Canning et al., 2004).

### **The international programmes involved**

While individual Western countries supported change in Polish and Romanian higher education during the 1990s through various bilateral programmes, the largest amounts of financial assistance came through World Bank loans and the grant programmes of the European Commission.

In 1996, the World Bank and the European Commission agreed an extensive programme of higher education reform with the Romanian Government. The programme budget was agreed at \$84m, made up of a loan from the World Bank, a contribution from the Romanian Government, and a grant from the European Commission's Phare programme (Velter, 2002). ("Phare" is the acronym for the EC's main support programme for the countries of Central and Eastern Europe.) The national annual budget for higher education around this period has been estimated at about \$50m, though the effects of hyper-inflation make currency conversions problematic (Dinca and Damien, 1997: 46). The programme was therefore of major potential significance to Romanian higher education.

The agreed programme consisted of several components, but the one of interest here was Component I, covering the development of management capacity in the universities. This was to be the responsibility of Phare, whose \$9.6m contribution funded a contract, awarded to a French-led international consortium, to provide technical assistance for management capacity building. The activities undertaken in Component I relating to individual institutions included an extensive programme of study visits by different groups of staff to universities and public bodies in EU countries; and training within Romania on planning, financial

management, IT systems and other management topics (European Commission, 1994). The programme operated between 1997 and 2002. (Following local useage, I shall refer to Component I simply as "Phare". The TEMPUS and Multi-country programmes, described below, were also financed from the Phare budget, but for clarity I will restrict the term to the management development project.)

The European Commission's support for Romanian higher education went beyond its contribution to the major reform programme, however. Of particular significance was its TEMPUS programme ("Trans-European Mobility Programme for University Studies"), aimed primarily at encouraging joint academic projects and staff exchanges with EU universities. It is important to note that TEMPUS was a reactive programme, in that it set broad themes and encouraged the submission of project proposals within them (Kehm et al., 1997: 20). These themes typically covered improved subject knowledge, curriculum development, the introduction of new teaching methods, and institutional capacity building (European Training Foundation, 1999). During the mid- to late-1990s, the annual TEMPUS budget for Romania was of the order of \$15m (Dinca and Damien, 1997: 21). Total TEMPUS spending in Romania during the 1990s was therefore of a similar magnitude to that of the World Bank/EC-sponsored reform programme.

Poland was also a beneficiary of TEMPUS, its annual budget peaking at around \$35m in 1993/94 (Kehm et al., 1997: 17). While Polish higher education was not the subject of large-scale multilateral project support, some institutions did take part, as did Romanian institutions, in what were known as Multi-country projects under the Phare programme. These were projects managed by Western technical assistance contractors, covering all or most of the countries of Central and Eastern Europe, intended to encourage developments in defined fields. For higher education, Multi-country projects covered open and distance learning, and institutional quality management (Phare, 1999). WIL played a minor part in the open and distance learning Multi-country project, jointly with a group of other Polish universities. UTCB was not involved in either.

UTCB was a keen participant in TEMPUS projects (strictly speaking, TEMPUS Joint European Projects, or JEPs), which, in their most typical form, required one or more Eastern partner institutions to link with two or more Western institutions,

from two or more EU states. UTCB took part in eleven TEMPUS JEPs between 1991 and 1998, many continuing over several years and involving a wide range of EU partners (Fatu, 1998: 535). Across Central and Eastern Europe, the mean number of such projects per institution was seven (Kehm et al., 1997: 231).

Less intensively involved than UTCB, WIL took part in four TEMPUS projects between 1994 and 1999, and continued its international involvement through the later elements of the European Commission's Socrates programme.

In summary, the international projects concerned with higher education reform in Poland and Romania during the 1990s can be classified in this way:

Table 1: *Organisation of international projects*

<i>Organised at the level of:</i>	<i>Planned impact on:</i>	<i>Example:</i>
national higher education system	national system	Romania: financial reform
national higher education system	institutional operations	Romania: Phare
higher education institution	institutional operations	TEMPUS

### **Objectives of the international programmes**

The designers of the international programmes tended to be unspecific about the organisational model or models they considered they were encouraging, even where the programme specifically addressed organisational matters. The programmes were presented in instrumental terms, focused on particular intended outputs: a strategic approach to management, with an emphasis on planning techniques; the application of current Western methods in financial and human resource management; provision of computerised management information; and other similar aims. In the TEMPUS context, Kehm et al. have referred to this approach as the “Western European *zeitgeist* of searching for management miracles” (1997: 312).

These objectives would be unexceptional aims in an Anglo-American-type higher education system, operating within a “state supervising” model (as distinct from a “state control” model) of public accountability, where considerable autonomy is granted to institutional managements by central agencies (Neave and van Vught,

1994). In Eastern Europe, however, they were to be achieved within a Humboldtian-type organisational structure, set within a state control model with historical authoritarian tendencies. University direction in such systems tends to be largely in the hands of the professoriate, with accountability to the ministry (Clark, 1983: 126). The international programmes, however, appeared to assume that a managerially-directed system existed, with substantial inputs from professional managers and with broader forms of stakeholder accountability. We may contrast the two systems in the way that is summarised in table 2.

Table 2: Comparison of Anglo-American and Humboldtian approaches to university management

	Anglo-American systems/ state supervising model	Humboldtian systems/ state control model
Governance	Governing body with mix of internal academic and external lay/political members	Governing body (Senate) consists solely of internal elected academic members
External accountability	To ministry, perhaps via intermediary body, and to other stakeholders	To ministry, with focus on detailed budgetary control
Institutional leadership	Appointed by governing body, perhaps with state/stakeholder involvement	Elected from and by academic staff
Management structures	Strong central managements, relatively weak departments or faculties	Strong faculties and professoriates, weak central managements
Academic structure	Large departments reflecting disciplinary boundaries	Small 'chairs' based around individual professors, forming faculties
Teaching and learning	Student-centred learning; critical approaches; varied patterns of assessment	Emphasis on professorial authority; learning of "facts"; frequent oral exams
Funding	Mixed state/private funding; flexibility in resource use	State funding; tight restrictions on resource use
Staff employment	May be employed by institution or state; varied employment contracts	State civil servants; standard employment contracts
Real estate	May be owned by institution or state	State property

The international programmes examined in this study appear not to have taken account of these differences in organisational philosophies, traditions and structures in their approaches. They have shown no sign of having devised approaches tailored to the particular structures and systems of these universities: the unspoken assumption seemed to be that "university management" was simply a technical issue, to which improvements may be made by using a set of standard tools. The apparent inability of many international agencies to see educational issues other than from their own cultural perspective has been noted by other analysts of their work (Crossley and Watson, 2003: 90).

The finding that few institutions across Central and Eastern Europe, in considering TEMPUS project proposals in the 1990s, "saw a necessity for further reorganisation of their management and administrative structures" (Kehm et al., 1997: 285) supports the notion of a mismatch between programme assumptions and institutional realities. Rightly or wrongly, the *zeitgeist* of "management miracles" did not seem important to most institutional leaderships. This paper will go on to show what effect these programmes had when applied in institutional settings.

### **Creating social capital through international projects: introduction**

The international programmes studied here have had important impacts on the two case study institutions: on the ways in which many staff now see their roles, on the networks - local and international - which have developed, and on changes to management processes. But the effects on the two institutions have been different in important respects. At UTCB, the effect overall may be seen in centripetal terms, with improved institutional cohesion resulting; whereas at WIL, the effect has been centrifugal, with outward-focused activities developing. I shall explore the possible reasons for this difference.

A theme running through these changes is the improved transmission of information in the university. Where once limited professional horizons and restriction of information were the norms, broader perspectives and new ideas became more common, at least for some.

As noted previously, international programmes in Romania (less so in Poland) have had a significant impact on systems and processes at national level, affecting particularly funding allocations to institutions and the extent of central controls exercised over the use of funds. These changes, in turn, have affected processes within institutions: at UTCB, the need to make decisions about matters previously determined centrally has started to produce new attitudes and approaches. Changes in national policies about staffing levels and use of premises, again influenced by advice from international programmes, have also fed through into local-level changes. International programmes focused on national policies have thus had an indirect impact on institutional management.

But the two main international programmes most directly affecting UTCB, Phare and TEMPUS, each had a different impact. The large, centrally-managed Phare project had a limited impact, although some of its effects may lead to later changes. On the other hand, the relatively small, locally-driven TEMPUS and similar projects led to important changes in attitudes and practices. I will examine some of these effects in more detail, and suggest that social capital theory provides a means of understanding this differential impact.

At WIL, where this study reports mainly on TEMPUS and other similarly-configured projects, possibilities were opened up for entrepreneurial activity providing continuing professional development for engineers working in industry. The very effectiveness of the activities undertaken in the Faculty through TEMPUS led to considerable frustration when the University centrally failed to support their continuation. The social capital which had been created through these projects was then applied to develop entrepreneurial activities outside the University.

In summary, the projects studied in each institution were as follows:

Table 3: *Summary of projects studied*

<i>Project type</i>	<i>UTCB projects</i>	<i>WIL projects</i>
TEMPUS	EUROHOT CESNET	CEEPROADS
Socrates	-	VINE
Phare	Higher education reform: management capacity development  Development of Learning Centre	Multi-country project: open and distance learning

### **International projects and individual learning**

Most of the academics interviewed at both institutions had taken part in TEMPUS projects. They were uniformly enthusiastic about their experiences: for some, it had been the formative professional experience of their post-communist lives.

At UTCB, a long-running TEMPUS project, EUROHOT, had developed distance-learning materials for highway engineers, drawing on expertise from Western partners. This had led to the creation of a financially self-sustaining activity within the University, selling distance learning packages to highway contractors in Romania. The TEMPUS project, through the close and lengthy collaboration it had produced with the Western partners, had changed the way the Romanian staff involved thought about many aspects of their work: what one called “the shock of a new idea” had been profound.

The Romanian Phare project, by contrast, had involved a small number of the UTCB Rectorate (that is, the Rector and Pro-Rectors), and some senior administrative staff. Compared with TEMPUS, however, the impact was far less distinct. The Director-General for Administration, for example, had visited universities in the EU to examine approaches to student support and the management of student facilities and accommodation. She believed that this experience had been useful, although she was imprecise about what the concrete benefits might be.

The Human Resources Manager at UTCB had also been involved in the Phare project's management information systems component, but the experience appeared not to have made a strong impression. To her, it seemed to have been a fragmentary affair, which had not engaged her fully. However, she had seen that people had developed "new points of view" as a result of their involvement in international projects, and she had concluded from this that there was now a need for everyone in the University to adapt to new circumstances.

The contrast between the international project experiences recounted at UTCB is of interest. In the case of the TEMPUS project, those involved were able to relate their new experiences with their Western partners to their own professional knowledge, share it, and act upon it. In a Humboldtian university, one might perhaps expect that professors would, to a considerable extent, be in a position to arrange matters in this way.

In the Phare instances of administrative activity, the new experiences were less assimilable and could not be so easily acted on. This was partly due to the people involved lacking the degree of autonomy which professors could exercise, and partly due to the greater complexity of changing administrative structures and processes, compared with changing teaching styles, for instance. The structure of the Phare project, discussed further below, was also relevant. Even so, participation in the Phare project had begun to affect the outlooks of the administrative staff involved.

### **Networks and teams**

I had expected that those involved in Phare activities would cite as a benefit the establishment of networks with people doing similar jobs in other institutions in Romania, or possibly even in the Western countries visited. (There is very little inter-institutional job mobility among either Polish or Romanian university staff, academic and administrative.) In fact, none of the administrative staff raised networking as a benefit. This points towards Phare activities achieving rather little in terms of social capital formation. Academic staff, by contrast, saw network building, within the institution and internationally, as a central benefit of involvement in TEMPUS projects: one respondent at UTCB identified "human

contact” as the greatest benefit of such projects, while another at WIL thought that "strong feelings of team membership" had been created.

At WIL, a TEMPUS project named CEEPROADS, with similar objectives to UTCB's EUROHOT, operated from 1994 to 1997. The project, involving Western partners and two other Polish technical universities, developed a continuing professional development programme for engineers of the National Highways Administration.

Many of the Polish academics expressed similar feelings to those of their Romanian counterparts about their involvement in this project. One senior academic involved in CEEPROADS thought that the project had developed, across the various units within the Faculty, a sense of belonging to a team. (The Faculty is divided into four Institutes, each of which is sub-divided: there are 13 basic units in all.) The project had, it was said, involved younger members of staff, encouraged them to work together as a team, and provided them with new contacts, nationally and internationally. Moreover, in intellectual terms, the project had focused both the theoretical and applied work in the Faculty on a single purpose in a way that otherwise only happened rarely.

WIL's closest experience to the Romanian Phare project was its participation in the Phare Multi-country open and distance learning project. An academic had been involved in this work with colleagues from two other Polish universities in 1999/2000. His feelings about this activity seemed rather similar to that of the Romanians involved with Phare: it had been “quite interesting”, particularly a conference held in 2000, but it had not seemed to relate directly to his “real work”. However, he did go on to develop a project under the Socrates programme in this field, stimulated by this initial involvement.

It seems likely that these TEMPUS projects at UTCB and WIL, through being conceived largely within the two institutions, facilitated the exchange of information and network-building within the institution, and beyond. The fact that each project was firmly located within a disciplinary network was also probably significant in stimulating other, linked, networks, as well as helping to achieve successful project outcomes. Projects under the Phare programme in Romania, and the Multi-country project in Poland, by contrast, being externally planned and managed, did not show this effect to any detectable extent: in Romania in

particular, people had to think hard to find positive things to say about their involvement. An enhanced ability to process and exchange information via networks represents an important aspect of social capital formation and has been associated with improved institutional effectiveness (Nahapiet and Ghoshal, 1998; Szreter, 2000). The TEMPUS approach appears to be clearly superior in this respect.

### **Changes to national and institutional systems**

The international programmes had a direct effect on UTCB by funding capital programmes: some 70% of UTCB's capital funding had come from these programmes in recent years. The resulting need to assess priorities and opportunities, to assemble credible bids, and to manage the resulting investment, was felt by my informants to have led to a more pro-active and professional approach by senior managers, similar to the changes produced by the block-grant system for recurrent costs. A "philosophy of competition", thought one, had been established, in which success in meeting more or less objective criteria was replacing political deal-making as a source of funding. This is a significant shift from the previous position of the professors and the Ministry making private decisions on resource matters, towards a more transparent, state supervising type of relationship with Government.

At WIL, though, a less positive picture emerges. Polish university funding has not been restructured by the use of a transparent algorithm, and is allocated largely on historical criteria, so perpetuating the tradition of detailed central control. Even the generation of income from student fees has to be managed by the device (widely agreed to be unsatisfactory) of accepting students on a supposed part-time basis, as charging fees to full-time students remains unlawful (Canning et al., 2004).

This system-level rigidity in Poland appears to be reflected within the University. The wish in the Faculty to continue the work begun in the CEEPROADS project, by offering continuing education on a commercial basis, could not be carried on within the University structure, because of what was seen as discouragement from the Rectorate. As a result, IKKU ("Continuing Education in Transportation

Engineering"), a private, for-profit training organisation had been created, owned and operated by WIL staff, mostly those who had been involved in the project.

It seemed that here, the social capital created by the TEMPUS projects had been channelled to purposes outside the University. As a result of what was considered in the Faculty to be a rigid and unresponsive central University management, the accumulation of social capital produced by work on the TEMPUS projects was not being drawn on by the University generally, but had been diverted to the creation of a commercial, privately-owned organisation.

The TEMPUS projects in which UTCB had been the lead Romanian partner led to other changes in the University's way of working. One professor described how the University's administrative staff had to grapple with Romania's notoriously baffling customs regulations when arranging imports of equipment purchased through a TEMPUS project, CESNET, which he was directing. These challenges, it was said, had created a "new mentality" (or attitudes) among the staff involved, with academics and administrators working as a team to try to overcome the difficulties in their way. There was a new understanding that cooperation and flexibility by all concerned were needed, particularly in dealing with unhelpful financial regulations.

These changes show a further degree of erosion of the Humboldtian rigidities. But we should note that the international programmes had not actually addressed the structural implications of the Humboldtian organisational tradition directly, although their programmes affected it.

### **Teaching and learning**

Teaching and learning was one area where the impact of international programmes had been rather similar in both UTCB and WIL. In both institutions, staff accustomed only to the highly didactic traditions of Eastern European higher education had been exposed to other approaches; and this had led to new thinking.

UTCB had created a new computer-based Learning Centre, funded from the Phare project, and based on models of open learning which its Director had

observed on visits abroad. Its creation had been championed at top-level in the University by a Pro-Rector, impatient to introduce new approaches to teaching and learning following TEMPUS project experience: change in one area of the University thus stimulated change in another. The Centre's Director had found that students were enthusiastic about the opportunities offered by self-directed computer-based learning, which contrasted strongly with the formal, ex-cathedra style usual in Romanian universities (Marga, 1998: 20).

The new ideas from abroad could not easily be re-embedded in the University's established processes, though. The implication of the Learning Centre's work was that academic staff would lose some control over students, once they had ready access to a wide range of materials on which they could work in their own ways. This had led to resentment among some staff, partly because of a perceived undermining of their traditional status, and, more practically, because of the possibility of lower pay resulting from reduced teaching hours. "At first," said the Director, "teachers didn't understand what was proposed; now they do, they're unhappy."

At WIL, another project, VINE ("Virtual Interactive Nice Education"), developed under the EC's Socrates programme, had been specifically aimed at changing the culture of teaching and learning by providing student-centred, computer-based modules in various engineering topics. An Assistant Professor at the Faculty's Centre for Computer Methods, who had been heavily involved, said that initially he had thought that seeing VINE working would encourage his colleagues to produce computer-based learning materials for their own courses. But this did not happen: so far as he could see, there was "complete non-interest". His colleagues saw no problems with their existing teaching methods and materials, "and anyway were too busy" - often on consultancy or teaching work outside the University. The students who had tried out the VINE materials, though, were said to be enthusiastic, and had asked for more such materials.

This closely parallels the UTCB experience: enthusiasm on the part of the students and lack of interest, or even hostility, on the part of the majority of academics. However, while UTCB seemed to be on track to institutionalise student-centred learning through the Learning Centre, no such steps had been taken at WIL. This may in part be due to the relatively limited resources available to a faculty, compared to the University as a whole in the UTCB case. While the

faculty can offer coherence and flexibility, it can be harder to institutionalise and spread new ideas.

We might also read these episodes as attempts at re-embedding in the organisation disembedded knowledge coming from an external source. In both cases, the new idea was received by many with either distrust or indifference. It seems plausible that low levels of social capital made these attempts at re-embedding harder than they might otherwise have been: suspicion, rather than trust, was the dominant feeling.

### **Traditionalists and modernisers**

Dahrendorf has identified the role of "champions of social change...venture social capitalists" in starting the process of change in universities in the former communist states (Dahrendorf, 2000: 12). Both UTCB and WIL were fortunate in possessing a number of such individuals, who were prepared to incur the displeasure of some of their colleagues by pressing for change. The international programmes, particularly TEMPUS, gave them an opportunity, a framework within which they could generate change, initially on a small scale, but later rippling out across more of the University.

In both institutions, key individuals might be thought of as occupying positions which link different networks together across "structural holes" (Walker, Kogut and Shan, 2000). A Pro-Rector at UTCB both helped to initiate, and linked together, different TEMPUS projects, and, more importantly, tied them into the management processes of the University. At WIL, a Pro-Dean similarly linked the Faculty's various projects, although he was unable to create the University-level structure which he thought would sustain the continuing professional development activity which CEEPROADS had begun. It seems likely that, in the settings studied here, with relatively unresponsive institutional structures, the task of tying project outcomes into the organisational structure is a more significant and challenging one than that of linking different networks.

### **Social capital theory and managing institutional change**

I have shown that the effects of the international programmes, while superficially similar, can be seen as different once a closer study is made. These differences can, I propose, be thought of in terms of social capital creation and use. One of my aims here has been to show that social capital theory provides a tool to help understand organisational change and effectiveness in higher education.

The TEMPUS projects examined have been successful in creating social capital, particularly through team-building and developing a wider sense of trust across the organisation, but these benefits have been deployed in different ways in the two institutions. I have suggested that the effects may be thought of as being centripetal at UTCB, and centrifugal at WIL.

In both institutions, a "management reform" focus in a project would probably have rendered it ineffective: the Humboldtian tradition would be likely to ensure that it was ignored or subverted. As Kehm et al. reported (1997: 285), universities generally across the region saw no need to pursue organisational change initiatives. Instead, the focus on academic development in TEMPUS projects has allowed organisational change to occur more subtly, often without it being at first widely noticed.

In both institutions studied, what we seem to be seeing is the effectiveness of TEMPUS projects as both providers of disembodied knowledge *and* creators of social capital. By encouraging learning and the development of shared meanings, the TEMPUS projects have enabled these new ideas to be re-embedded in the specific, local, organisational setting. It is this dual role that has probably made TEMPUS projects so effective in generating change. There is a clear contrast with the externally-directed Phare project at UTCB, which provided disembodied knowledge, but without the means of re-embedding it.

The ways in which social capital might be created within organisations appear to be given rather limited consideration in the literature: its existence or absence often appears to be taken as a given (when it is not overlooked entirely). But it is surely a matter of central significance if the application of social capital is considered important. I suggest that, in organisations, social capital formation is to a considerable extent driven by the informal learning which goes on in people's everyday work (Wenger, 1999), through which networks are created, strengthened and extended, trust is built up, and what we may call "tacit

employment contracts" are entered into. Burton Clark is perhaps considering processes of these types when he suggests that "the dynamics of ambitious collegial volition", created in an institutional social setting, are at the heart of what he regards as effective university organisation and management (Clark, 2003).

Networks, and the trust which they engender, facilitate learning and the re-embedding process necessary in modern organisations for handling knowledge coming from external sources. The initial stock of social capital is enlarged during this learning process, and is then available for other purposes. Institutional culture and structures may change, and encourage further social capital formation. In my case studies, I have shown how the international projects have supported this network- and trust-building; this has then facilitated further structural developments, either inside or outside the institution. Other studies of organisational change have also identified trust, networks, shared ideas, and other linked social phenomena, as features associated with effective change (Pettigrew, Ferlie and McKee, 1992: 281). These studies have not generally, though, examined the possibility of social capital being an underlying, unifying force in achieving change.

### **Implications for the design of international projects for higher education reform**

The research reported here suggests that the detailed design of international projects can have a major impact on their effectiveness. The large-scale, well-funded, nationally-directed Phare project appeared to have limited impact on the UTCB staff who took part in its activities. While some effects were detectable, they were negligible when considered in relation to the large project budget. In Poland, the Multi-country project similarly seemed to have little impact. In contrast, the locally-managed, individually much smaller, TEMPUS and Socrates projects appeared to be both relatively effective in achieving their stated goals, but also in generating wider changes through the institution.

This difference is probably due to several factors, including better day-to-day management of the TEMPUS projects, and others of similar type, as a result of their institutionally-grounded "ownership". At a theoretical level, the differences in the effectiveness of projects can be considered in terms of their success in

forming social capital. Where the structure of the project - as with the Phare project in Romania - required no particular institutional commitment, merely passive participation, there was little or no social capital production, in the sense of network-building or the establishment of trust. As a result, organisational change - the overall objective of the project - was extremely limited, and insofar as it did occur, was probably not sustainable: there were no new understandings, no trust or networks, available to take forward change into new organisational domains from the individuals who had been directly involved in the project.

By contrast, I have produced evidence which suggests that TEMPUS projects at both UTCB and WIL created social capital as a result of the design of the programme overall and of the individual projects. The requirement for projects to emerge from the bottom up ensured a high degree of local commitment, as the project aims were ones which reflected the intellectual and professional interests of the staff who would be managing them.

Studies of programmes of organisational change in the business sector in the West have reached some similar conclusions. "The failure to link...programmes [of change] to local business needs and political interests" typically led to ineffective efforts at change within firms. However, where change was managed by groups within large firms almost "as a voluntary organisation", greater success in achieving sustainable change was observed (Pettigrew, 1998). There appear to be parallels between these findings from the study of firms, and my findings about the Phare-type activities, somewhat disconnected from the real life of the university, and the contrasting, effective, "voluntary" character of TEMPUS projects.

If the objective of an international project is to achieve organisational change in higher education institutions, specifically to enhance flexibility and the ability to innovate, the starting point must be a close understanding of the fine internal structures of the institutions in question. I have argued here that the international programmes failed to appreciate the subtle but essential differences between the strong version of the continental mode of university organisation, found in Poland and Romania, and the Anglo-American model. The weakness of central institutional management in the continental mode, certainly as found in the former communist states, meant that top-down managerial initiatives were unlikely to

succeed: the faculties and chairs had enough power to prevent unwelcome change emerging from the central bureaucracy.

Instead, the emphasis in project design should have been on engaging the interest of the academic staff, and in supporting academically-driven projects which required substantial networking activity, internally, externally and internationally. In other higher education traditions, a different approach might be more effective; but the starting point should be a proper understanding of the institutional processes and structures of the case at hand.

\*\*\*

## References

\*\*\*