

Rethinking Business Models for 21st Century Higher Education: A European Perspective

Jessica Lichy¹ & Rickard Enström²

¹ IDRAC, Lyon, France

² School of Business, MacEwan University, Edmonton, Canada

Correspondence: Rickard Enström, School of Business, MacEwan University, Edmonton, AB, T5J 4S2, Canada. Tel: 1-780-633-3485. E-mail: enstroemr@macewan.ca

Received: August 24, 2015

Accepted: September 16, 2015

Online Published: September 18, 2015

doi:10.5430/ijhe.v4n4p119

URL: <http://dx.doi.org/10.5430/ijhe.v4n4p119>

Abstract

The late 20th century was an era of social, economic, technological, and political change, resulting in significant shifts in the perception of enlightenment, knowledge, and education. The impact of these changes have become quite apparent in higher education where there is now mounting pressure for faculty to deliver high quality education to an internationally mobile cohort and where institutions are striving to attract funding, researchers, research grants, top students, and teaching staff. To cope with the many challenges, new business models are needed. Introducing change, however, is fraught with many problems; in particular, institutional barriers among disciplines, management commitment, socio-economic factors, and cultural issues. In this paper, we take a look at and discuss three European higher education institutions currently undergoing transformation—a British, a Finnish, and a Russian—to draw attention to some of the inherent factors that higher education institutions face when they seek to implement new business models to manage the competitive environment for higher education.

Keywords: Higher education, Business model, Managing change, International perspective

1. Introduction

Historically, higher education in Europe and North America has been quite different in focus. While American institutions play a significant role in conducting research that contributes to technological development and industrial performance (Geiger, 2004; Rosenberg & Nelson, 1994), European institutions contribute more to knowledge for its own sake and to the preservation of distinctive national cultures (Ben-David, 1977). In the light of rising costs, however, European intuitions are changing their focus in an attempt to compete in the global market. In particular, as tuition fees continue to rise, enrolment in higher education is rapidly becoming an investment decision in which the cost of study is weighed against potential future earnings. This decision in itself creates a new dynamic, influencing subject matter choice, the perceived value of the institution's brand, and employability. Being aware of the increasing competition, higher education institutions (HEIs) are repositioning themselves to develop new business models (Tian & Martin, 2014).

Efforts to improve the student learning experience and make it relevant to the dynamic environment of the 21st century necessitate business model innovation. Specifically, Sheets, Crawford, and Soares (2012) advocate open innovation (the use of both external and internal resources), multi-sided business models (leveraging the interdependencies among stakeholders) and unbundled models (focusing on customer-relationship management, product innovation and infrastructure management), also supported by Osterwalder and Pigneur (2010), for improving higher education through economies of scale and scope and by providing the basis for personalization, access and affordable choice. Teece (2010) describes business model design as an 'art' where user needs, value chain, cost efficiency, timeliness, and outsourcing decisions are in focus. Digital technology has changed the way businesses deliver customer value and how they capture value from delivering new information services that users expect to receive free of charge. Thus, as businesses integrate interactive technology into their existing business activities, they migrate from traditional physical business models to blended physical and virtual models. While a large body of literature addresses the challenges facing businesses in today's turbulent environment, less attention has been directed toward how HEIs and business schools should react to these changes. Assuming that business schools can be managed using the same principles as a business, does it follow that business models of companies

can be applied to business models of business schools? In higher education, the biggest challenge is to contain costs while at the same time improve outcomes. The recession is testing all business models; there is no best model to use, but a collaborative approach could reinvigorate efforts and innovation and perhaps result in a hybrid model to help business schools and students to find a way out of the chaos.

In this paper, therefore, we review the literature on business models and apply the discussion to higher education institutions, in general, and business schools, in particular. To illustrate the degree of complexity of introducing new business models for business schools, we examine three higher education institutions in Russia, Finland, and Great Britain currently undergoing transitions. In doing so, we compare the different approaches and highlight the impact of intangible factors in redesigning business models with the intent of conjuring a hybrid model. The HEIs are hereafter anonymously referred to as Russian HEI, Finnish HEI and British HEI.

2. Business Model Thinking: Past and Present

2.1 The Evolution of Contemporary Business Model Thinking

For the purpose of this study, a business model describes an organisation's approach for creating, delivering, and capturing value and for generating the necessary revenue to cover costs, stakeholders' rewards, and reinvestment. To compete in a world where the shelf life of a business model is shortening, higher education managers need the tools, skills and experience to anticipate, test, and implement new business models to gain innovative momentum (Nelles & Vorley, 2011). The business model dilemma speaks to organisations of all sizes and structures. This not only means greater support for smaller, local providers, but also a reassessment of conventional business models by large corporations. New approaches are needed to replace the multinational business models that are no longer relevant (Pralhad & Bhattacharyya, 2011). Although business specialists have documented the inadequacy of the linear strategy-first-execution-next view in the current business environment, no one has provided tangible concepts that businesses can use to replace the old thinking. A new approach is needed—one that views strategy as an integrated change process that link together the essential dimensions of strategy sustainably: external realities, internal activities and business processes, financial targets, and customers.

The work of Ghaziani and Ventresca (2005) traces the term 'business model' over time, finding that the term has seen a dramatic increase in use even though its meaning became contested during a period of cultural change brought about by the new digital economy of the 1990s. Chesbrough and Rosenbloom (2002) state that the term is much used but seldom defined explicitly, a sentiment shared by academics and practitioners. Yet there was comparatively little interest in the concept prior to the mid-1990s. The definition presented by Viscio and Pasternack (1996) seems to mark a milestone in literature; their publication can be seen as starting point for raising awareness of the concept as peer-reviewed publications on the topic grew from nearly inexistent in 1997 to almost 120 appearances in 2004. The popularity of the term 'business model' is therefore a relatively recent and topical phenomenon. Broadly speaking, it is more of a context than a concept. Amit and Zott (2001) define the concept of business model as "the content, structure, and governance of transactions designed so as to create value through the exploitation of business opportunities". They postulate that as a firm's scope and its boundaries become less clear through the virtual markets and information technology, strategic analyses of e-business ventures will have to move beyond the traditional conception of the 'firm' as the unit of analysis. In an update on their earlier work, Zott, Amit, and Massa (2011) identify that the same term—business model—has been used to denote and explain a wide variety of phenomena such as e-business types, value creation, and innovation of technology to such an extent that the business model concept is now lacking in clarity. Recently, Lambert (2015) has spoken to this lack of clarity when discoursing about business models. Specifically, a call is being made for a general, empirically derived classification to further the research agenda.

2.2 The Changing Business Model of Business Schools

Managing a business school as a business is not a universally accepted notion. Even so, a new business model can start with making connections with stakeholders such as students. Many academics, however, oppose the concept of the student as a 'customer', and students are not customers because they lack the 'experience information' (Swagler, 1978). Nevertheless, the students 'consume' the services and are key stakeholders. Hence, involving them in the business model design will likely increase their engagement in a similar way as a company can increase loyalty by involving customers in the decision making.

To what extent then can business models be applied to business schools? In the USA, a single business model is commonly found: that of well-established business schools affiliated with universities. In Europe, the educational and economic cultures have created an array of models, from stand-alone business schools through partnerships to university departments (Tieman, 2008). European business schools also differ from their American counterparts in

that they are more focused on constant innovation and international diversification as they compete for participants in a globalised business world. Competition is therefore intense among European business schools, the majority of which deliver programs in English even though they may not have adopted English as a *lingua franca*. Many American business schools have developed innovative ways of differentiating themselves. For instance, in the case of competition for MBA students between Harvard Business School and Stanford Graduate School of Business, Stanford offers a customised MBA. Consequently, there are no core courses and every student has a personalized curriculum. Then again, Harvard's business model is based on a strong core curriculum with several faculty members co-teaching core subjects, featuring large-scale group work for case discussions. The approach developed at Stanford supports the notion that different business models bring about different sets of competitive tactics (Casadesus-Masanell & Ricart, 2010). Taking a similar approach to Stanford, several British institutions now offer customised learning programs, including Judge Business School, Cambridge; Saïd Business School, Oxford; London Business School's Centre for Management Development, and Henley Business School.

An alternative approach to customising is brand building: "For a business school, the brand is thus the manifestation (captured by the school's name and logo) of that school's successful strategy, which allows it to distinguish itself from similar or competing schools in the mind of the general public and the subset of people and companies that have a relationship with the school (students, faculty, staff, alumni, corporate sponsors)" (Hawawini, 2005). Schools with strong brands are therefore able to attract and retain the best students, faculty, staff, and corporate sponsors within their targeted market segment.

Business schools have existed for over a century and many still operate under the same model as they did 100 years ago: based on a physical location. Institutions that can work collaboratively and harness the potential of online communities can differentiate themselves from others. As Sassen (2005) and Castells (2003, 2011) articulate, regardless of the physical dependence, the production of information and the transmission of it is the key organising factor in the world economy today. This approach reflects the synergy that can be created from establishing links, collaborating, and sharing knowledge across virtual networks. Building on this concept, Lorange (2012) advocates the network-based business model. New technology represents a dramatic change away from what seems to have worked so well for many business schools in the past. The network-based business model is still in its infancy but is gaining popularity.

Several business schools integrate sustainable development and environmentalism into their strategy. This reflects the awareness that the long-term success of a business school depends on making the right decisions, not only economically, but also socially and environmentally. Like role models, business schools are preparing today's students for tomorrow's corporate world; it therefore pays off to adopt an ethical and ecologically-minded position. Lindgren and Taran (2011) identify that "information and communication technologies appear to be of ever increasing importance to innovation, and will therefore provide the backbone of green business models in the future green society". In attempting to make the campus 'greener', however, the challenge is often scarce resources and the necessary change in culture.

Lorange (2012) asserts that the future business school will move away from an integrated hierarchy to a networked model with stakeholders at the centre. Interactive technology and innovative thinking are then used to bring together globally distributed students and subject matter experts. The emphasis on economies of scale and ownership is replaced by attention to the brand through reputation and image; owning resources—staff and faculty—is no longer a priority. This is not a new idea; the work of Handy (1995) recognises that successful organisations of the future will harness employees' intellectual capacity and leverage their intellectual capital through network partners. Advances in information and communication technologies have merely accelerated the development of networks beyond borders and disciplines.

The overarching theme in Lorange's study (2012) is that of a networked business school stripped of costly resources. Consequently, faculty can be hired on a 'need to teach' or 'need to research' basis and staff can be outsourced, with the Dean's role changing to leading the network configurations, supervising faculty, and providing the outsourced providers with information. However, there are limits to this approach; for example, it is difficult to achieve with a less known brand, and the management of a complex network can be onerous. For the networked business school to succeed, it requires continual innovation, sufficient investment, research-informed teaching, motivated staff, pragmatic management, and an ability to communicate success. As the network is likely to extend beyond borders, each participant can focus on a specialist area; for example, a Brazilian school focusing on the young, computer-based consumer, a US-based school emphasizing marketing, a Middle Eastern school on family business, a Nordic school on entrepreneurship, and a Swiss school on finance. Working as a network provides numerous possibilities for innovation. The networked approach requires creative thinking, and a culture that is open to a new way of doing work. For Lorange (2012), the global network is the new business school business model, but more

research is needed to deepen our understanding of the complex factors involved.

3. Thinking Differently: Three European Institutions at a Glance

3.1 The case of a Russian HEI

The Russian HEI is a federal budget educational institution with over 30 000 students; it was formed over 100 years ago provoked by industrial and investment growth and changes in attitudes to education in Russia at that time. Today, the entire higher education system in Russia is being rebuilt. One of the reasons for the reforms of higher education in Russia is the decrease in federal funding. Another one is the inflation of higher education value and its deteriorating quality. The overall number of students almost tripled from 2.7 million in 2003 to 7.5 million in 2012 (Russian Federation: Federal State Statistics Service, n.d.). It is obvious that the state cannot provide funding for such a volume of universities, students, and teachers. The academic community in Russia now acknowledges the urgent need to rethink the model of university governance without shying away from using the term ‘business model’.

At the time of writing, the Russian HEI is preparing for the introduction of a new business model. The existing structure is being changed in accordance with the state policy of restructuration and integration; departments and faculties are being merged, and there is a plan to cut the administrative staff by 30%. It is worth mentioning that under Russian labour laws (Russian Legislation: ROSKODEKS, n.d.) it is not possible to lay off administrative workers, other than serious grounds for dismissal, without offering them other positions. Here is an example of the typical paradox of reforms in Russia: the reforms are new, but the core legislation has not changed since the Soviet times. It can be anticipated that a number of lecturers will be made redundant in order to increase the salaries of the remainder. Faculty members are expecting their workload to double in view of the emphasis on research, publications, and academic projects. There is also a plan to reintroduce large-audience lectures for over 300 students. The situation can be described as chaotic and controversial as newly merged departments and faculties come to terms with their new mission and structure. Much emphasis is now placed on R&D commercialisation. The Rector maintains that universities cannot make money from educational services alone, thereby strongly encouraging collaboration with private enterprise. Paradoxically, all of the 13 strategic partners of the Russian HEI included in the new model are state bodies.

Up until 2013, academic staff enjoyed considerable autonomy; they were free to find additional work locally or internationally, people drifted between universities and departments according to the needs of curricula, and this has never been a cause for concern. This flexibility was justified by the low academic salary, approximately 400 euros per month, which is lower than the national average. The teaching workload has increased now, with new courses appearing, and the number of students per instructor jumping from 5:1 to 12:1. In addition, selective courses have been introduced together with specialised individual programs for students. In terms of restructuring research output, academics can no longer undertake research in their chosen area of study, and a strict system of research objectives is being developed. Everyone will be expected to adhere to the new regime, which will define competencies and generate a specific task to solve, based on the notion that the system will provide transparency through clearer monitoring and measurable outcomes.

The speed of change is accelerating in Russian higher education as the country repositions itself in the world market. “The Soviet Union was the prototype of a closed society” (de Smaele, 2007); a limited flow of information was the norm and this information was never available to everyone under the same conditions. In the Soviet Union, information was considered a privilege rather than a right, and the information climate was based on secrecy. Today, attitudes toward sharing and using information have evolved somewhat. In post-Soviet Russia, the right to information is legally guaranteed, censorship is forbidden, and ‘state secrets’ are limited by law. In practice, however, secrecy and lack of access to information is an ongoing problem, much quoted by the international media and citizens alike. This culture of restricting information and screening communication constitutes the current environment in which business and education institutions have to work and contend with. It influences not only the perception of digital information but also how people cope with new information technology, and the culture of managing information.

Efforts directed toward rethinking a business model have traditionally been hampered as a result of the status of information as a privilege, both in the Soviet Union and in post-communist Russia. The learning experience is also hindered by impartial or biased information. What is needed in the Russian HEI is a fundamental change to teaching where information technology is totally embraced, starting with the creation of a fully digital curriculum. The proposed construction of an international centre for innovation in Skolkovo reflects the extent to which Russia is planning large-scale economic and political change. To an outsider, the Russian HEI may look like a business with its own proven business model, honed over time. That said, there is a dearth of contemporary research into the evolution

of business models within higher education in Russia, but the higher education system is still heavily controlled by the Ministry of Education. Hence, any future business model would need to be integrated and centralised.

3.2 The case of a Finnish HEI

International mobility plays a key role at the Finnish HEI, a horizontal, internationally oriented higher education institution with over 6300 students. The general consensus is that foreign students enrich the host university culturally and by driving the university to develop its learning methods. The Finnish HEI has a ministry-level task to internationalise its region through an 'International Mobility' contract with over 50 universities located primarily in Europe, East Asia, and USA. In addition, the Finnish HEI arranges international summer schools and is proactive in staff exchange. These actions, however, do not solve the issues regarding internationalisation for both foreign and Finnish students and how the foreign students can enter the labour market. The latter issue is solved by having international degree programs in English, five of which are on offer. The key here is to align the foreign students' professional internships and their thesis subjects with the needs of local companies.

The Finnish HEI has developed a three-step approach to raise awareness of the international dimension through intensive international weeks. The faculty organises at least one international week per year in which each teaching team invites their foreign colleagues to the institution for the whole week. The official language during this week is English, but English is also the official language across the institution in all areas of international work. In their view, every HEI should organise events of this nature early in the calendar year to set the theme for the year. Each degree program at the Finnish HEI also organises a business week each year, and this concept is founded by a network of Universities of Applied Sciences, comprising partners from Poland, Belgium, Holland, Germany, Czech Republic, Portugal, France, Latvia, and Finland. Each year, one of the network universities invites students and faculty to visit their university to work on a business case. The solution for the case is prepared at the home institution and solved together during the business week. This is a cost-efficient way to internationalise students and staff at the same time. Finally, the Finnish HEI organises an annual research conference with its main learning partners. The scope of the conference is the same as the main research areas of the institution. Each year, one of the institutions invites others to submit research papers. The papers are peer-reviewed, evaluated, and the accepted papers appear in the conference proceedings. This is also a good opportunity for final year students to publish the most important findings of their theses.

The current model of the Finnish HEI emphasizes two issues: efficiency and internationalisation. Specifically, the goal of the Finnish Government is to increase the efficiency by as much as 20% and to reach the 10% level of foreign staff. As shown in Table 1, the main components of the model are the number of completed degrees and credits, the level of research, the level of internationalisation, and the student satisfaction. The idea is that the universities compete against each other about funding provided by the Finnish Ministry of Education and Culture based on how they manage against the others. For example, if the total amount is 10 000 euros, 200 euros will be designated to the student exchange component. The HEI will get 20 euros from this 'pot' if the number of student exchanges in the university is 10% of all the student exchanges; in other words, a zero-sum game.

Table 1. The new model of HEIs in Finland

	Universities	Universities of Applied Science
Bachelor degrees	9%	46%
Master degrees	15%	4%
PhD	9%	
Degrees by foreign students	2%	0.75%
Students getting at least 55 credits	8%	24%
Credits in open university	2%	4%
Publications	13%	2%
External research funding	9%	8%
Student exchange	2%	2.25%
Staff exchange		1%
Foreign staff	2%	
Official student feedback	3%	3%
Employed students after graduation	1%	3%
Strategic funding by Ministry of Education	25%	2%

This model provides HEIs with incentives to internationalise. Not only is it vital for the institution to have international degree programs and to increase student mobility. Even more crucial, however, is the need to establish long-term partnerships with other international HEIs. The focus of the cooperation should be on joint research teams, joint research funding, and joint publications. The earlier proposed model of intensive weeks offers a good starting point for internationalisation.

3.3 The case of a British HEI

The British university constitutes a multi-cultural community with a long history of working with local businesses and organisations. With over 18 000 students, it provides a variety of courses at undergraduate, graduate, and post-graduate levels. The British HEI acknowledges the need for comparability and compatibility among the diverse higher education systems and institutions across Europe. For this reason, admission criteria for all programs consider the transferability of various EU qualifications in such a way that each module recognises the equivalent European Credit Transfer System (ECTS) value. This procedure allows for European exchanges for both students and faculty.

In the business school of the British HEI, the five-year academic plan contributes to the overarching strategic plan which was developed in response to the ongoing changes taking place in higher education in Britain and globally. Efforts are thus concentrated on making the business school of the British HEI a highly ranked international provider of technologically-enhanced business and management education, and research that develops graduates, managers, and leaders in what is now a complex global knowledge economy.

In general, British HEIs are struggling to manage with ever-decreasing government funding, and recent increases in undergraduate tuition fees have had negative effects on the demand for UK and European undergraduate enrolment. The situation is further exacerbated by reductions in funding for research and increasing constraints placed on overseas students. As a response, the British HEI has reorganised the way in which it operates:

1. Introducing 'block delivery' with a number of entry points during the academic year.
2. Restructuring postgraduate programs to re-align module content in accordance with changing market needs (diversity, internationalisation, sustainability, employability, ethical, and corporate social responsibilities).
3. Appointing an alumni officer to enhance alumni engagement.

The new strategy focuses on four key facets:

1. A student-centred learning environment, facilitating the development of the individual's employability in a competitive, global graduate market.
2. Research activity that has impact on international organisational performance, government policy, and/or transformational effect on stakeholders.
3. An outward-facing approach to facilitate student learning, research, enterprise, and professional practice; the aim is to exceed student expectations, generate income, and contribute to the knowledge economy.
4. Robust procedures facilitating sustainable income and operational efficiencies to enable the reinvestment in academic excellence and professional relevance.

Multiple intakes for postgraduate programs were introduced for the first time in the academic year 2012/13. Each postgraduate program has three modes of delivery: one year full-time, two years part-time, and flexible. All programs follow the same pattern: having five entry points throughout the year with a completion credit value of 180 (90 ECTS), each 30 credit module is delivered with 300 learning hours per 30 credit module of which 50 hours are of direct contact. Each module is delivered over a six week block of formal lectures, student self-study (supported by on-line learning resources), and assessment. There are no pre-requisite or co-requisite requirements, enabling students to enter at any of the entry points. Various options have been introduced to enrich the learning process, including an internship program (one to three months), dissertation, work placement (six months), and the Live Project (students work as part of a team on a project provided by a national or international organisation).

A Personal Tutor policy ensures that all students are assigned to a personal tutor at induction and are required to meet twice in their first semester and at least once in every other semester. The Personal Tutor provides guidance on personal development and any issues the student may have with respect to career advice and employability. Additional inputs are provided through induction, master classes, and career development sessions. Issues such as ethics, cultural awareness, and corporate social responsibility are embedded into the module specifications.

All students are encouraged to take part in the ERASMUS exchange program, and other international exchange

programs are currently under consideration to broaden the study abroad offerings. For postgraduate students, there is an opportunity to develop corporate skills through the Professional Placement/Internship/Live Project Program. A range of guest speakers are also invited from industry and from commercial backgrounds to exchange with the students on contemporary issues of interest in the business world. Undoubtedly, the focus at the British HEI is on delivering ‘value for money’ learning through international and local partnerships to provide the students with the skills needed for today’s global online business world.

Taking these three cases as a whole, it is clear that a vast array of complex factors will determine the business models of the future in higher education, especially culture and language, politics, technology acceptance, funding bodies, and stakeholder influence. Devising a new business model requires a deep understanding of all the factors that influence the learning environment locally and internationally. Perhaps the biggest challenge is sharing the new vision with staff and tutors, many of whom will need to be convinced of the benefits of the new business approach in order to adopt it.

4. Conclusions

In this paper we traced the evolution of business model thinking in higher education institutions, many of which face immense pressure to be more innovative and more ‘digital’, to provide contemporary and higher quality education, to become more international, to cut costs, etc. It would not be an exaggeration to say that the systems of higher education in different countries have never experienced such great transformation before. Even in affluent countries with high expenditure on education as a proportion of GDP, as in Finland for example, HEIs are fiercely competing with each other, fighting for additional points in various ratings and ranking classifications. This article discusses the complex trends and evolving factors that have an effect or will have an effect in the future on the formation of new business models for HEIs. The three HEIs, located respectively in Russia, Finland, and Great Britain were chosen to illustrate the deep transformations that influence not only the structure of the organisation, its mission and purpose, and relations with external environment, but also the essence of academia.

Our paper contributes to the literature on business models by reviewing and synthesising the extant literature. We recognise that, at present, there is a lack of clarity concerning the meaning of the business model concept. An interesting question addressed in the study is the emerging role of students as key stakeholders in higher education, and the need to involve them in the design of new business models. While tracing the current trends in managing business schools, we observe the new emphasis on integrating notions of sustainability and environmentalism in order to achieve corporate social responsibility.

The Russian government wants to create world-class universities, necessitating extensive reform in the higher education system. The case discusses the impact of large-scale transformation in one of the biggest federal budget educational institutions in Russia, reflecting the difficulties of managing higher education in an era of diminishing federal funding, widening demographic gap, and the inflation of higher education value. The case calls into questioning the extent to which the changes in Russian higher education match the world trends. On some points, the Russian model seems quite the opposite. For example, the highly centralised hierarchical business model with stricter research objectives obviously contradicts the idea of highly mobile networked business model described by Lorange (2012). Also, the return to large-audience lectures does not lie comfortably with the new trend of student-centric models of education. It could be argued that large-audience lectures are mostly suitable only for an engineering and technical audience. However, then the question arises whether there can be two business models at the same university—a business model for an engineering and technical audience and a different model for business education. A solution needs to be found to cope with the huge surge in demand for higher education. To finish, it is worth noting that there are mounting concerns about the impact of the current speed of change in Russian higher education. For example, with the development of international learning programs, many more opportunities arise for students who want to do an exchange semester abroad at a partner institution. This opportunity is in itself positive. In reality, however, since the introduction of these exchange trips, Russian universities have been losing students once they get acquainted with the foreign education system and discover its advantages. Therefore, efforts need to be made to understand the expectations of this internationally mobile cohort in order to attract and retain them. To create world-class universities in Russia, a new business model is needed to navigate away from the long-standing ‘unique national model of education’, dismissing any calls for comparisons with universities abroad, toward ‘national research universities’. Ongoing upheaval can be expected as decision makers work out how to reposition the country in the world market, how universities should rebuild their business model in order to retain the brightest staff and students, and how to be successful in attracting staff and students from foreign countries.

Looking at the Finnish Government, they stress quality, efficiency, equity and internationalism in education. The

system is geared to promoting the competitiveness of the Finnish welfare society. With the mission of providing high quality education that meets the changing needs of society, the Finnish HEI is committed to equipping students with skills which are highly valued in the professional world. It has integrated a well-functioning international cooperation network that serves as a forum for various projects related to education as well as research and development.

In the case of the British HEI, one of the key goals in the new business approach is to foster a strong culture of internationalisation which encourages staff, students, and stakeholders to view the world from both local and global perspectives, to extend international engagement, contribute to teaching and research goals, and through influence and reputation create a more powerful and recognised brand for the university. For many years, the British HEI has been a major contributor to the internationalisation of the institution and continues to play a key part in the new organisational strategy, evidenced by its commitment to create global citizens. The general consensus is that formal partnerships with global HEIs can benefit the whole institution in a number of ways, including curriculum development, innovation, and the extension of opportunities for international experience for staff and students. Currently, the British HEI has 43 formal partnership agreements for staff exchange, student progression, research and teaching in countries such as Latvia, China, Egypt, Turkey, France, India, and Switzerland. The new business approach at the British HEI is aimed at further developing international collaboration over the next decade in order to transmit research-informed knowledge to the increasingly global learning community. This knowledge is also to be shared with different national partners, including small and medium enterprises, blue-chip multi-national companies, non-government organisations, charities, and large public sector organisations.

The extent to which these changes are likely to be successful depends on whether the new focus of block delivery is indeed commensurate with student and future employer needs and expectations and whether it provides participants with the required global skill sets. Indeed, what is considered to be 'successful' is also an issue worth considering as success can mean different things to different stakeholders or 'customer' types. In all the above cases, it can be seen that there is a need for Business Schools to develop and implement new business models to ensure that they can survive. Whether they should be reactive or proactive is another issue and worthy of further study. There is no doubt, however, that 'standing still' is not an option.

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