



UNIVERSITETI I EVROPËS JUGLINDORE  
УНИВЕРЗИТЕТ НА ЈУГОИСТОЧНА ЕВРОПА  
SOUTH EAST EUROPEAN UNIVERSITY

## **UNIVERSITY BOARD**

### **STRATEGIC PLAN 2013-2016**

This document is the full version of the Strategic Plan to be approved by the Board in November 2012. Thereafter a short illustrated version will be prepared for public dissemination on the University website and in print.

#### **EXECUTIVE SUMMARY**

SEE University has succeeded in its mission of contributing high quality teaching and research to the higher education system of R Macedonia, and in improving access from under-represented groups. In European terms it has grown to the status of a medium-sized university specialising in socio-economic, computing and environmental sciences, with a well-equipped, modern infrastructure. It has made significant contributions to the economic development of the region, and through its high rate of employability, demonstrated its fitness for purpose and attractiveness to students. In the period 2013-16 SEEU plans to consolidate its strengths, expand its offerings at second and third cycle, especially in the English language, and further develop its staffing profile to meet its quality-driven objectives. As the first and only private-public not-for-profit university in the country, it will seek to diversify its income from both public and private sources, and continue to develop closer collaboration with other institutions in the country, in Europe and worldwide. Using modern techniques of performance and risk management, it will monitor and adapt its profile to demographic and other changes in the region, and maintain long-term financial sustainability. In all respects it will justify the original investment by the international community.

#### **THE UNIVERSITY'S MISSION**

Simply answering the question 'What is the purpose of the University?' in 2013 produces a very different result from answering the same question in 2001. Then SEEU was seen by many as an emergency initiative by the international community, perhaps temporary pending reforms in the country's public higher education provision, to help to resolve a long-standing problem of unequal access to higher

education in the Republic of Macedonia (henceforth R Macedonia). Now after 11 years SEEU is established as an integral part of the higher education system of R Macedonia with a special legal status due to the nature of its foundation. The most up to date statement of the University's mission is set out in its Statute, as amended from 1 December 2008, but which will probably require some further changes in the planning period:

*The SEE University ('the University') will*

- (i) pursue excellence in teaching and research;*
- (ii) be open to all on the basis of equity and merit regardless of ethnicity;*
- (iii) actively seek co-operation with other universities, both in the Republic of Macedonia, in South East Europe and internationally*

*and will have as its main aims:*

- (i) to contribute to higher education in the Albanian language;*
- (ii) to promote inter-ethnic understanding;*
- (iii) to ensure a multilingual and multicultural approach to teaching and research;*
- and*
- (iv) to develop its teaching programme in a broad international and European perspective.*

How these objectives have been achieved, and how we intend to build upon those achievements, are set out in this version of the Strategic Plan.

In recognition of its achievements, the University was awarded the Order of Merit for R Macedonia by the President of the Republic on its tenth anniversary in 2011.

## **THE CHANGING BACKGROUND**

### The Republic of Macedonia

Despite four successive positive opinions by the EU Commission, there is as yet no progress in the ongoing issue of opening EU accession negotiations as the settlement of the 'name dispute' with the Hellenic Republic remains a major obstacle. Visa liberalisation with the Schengen countries has taken place, but visas are still required for travel to non-Schengen countries like the United Kingdom; in R Macedonia there has been a more strict interpretation of the procedures for acquiring work permits by foreign citizens. During the extended transition period, R Macedonia withdrew from the EU TEMPUS programme, and so has lost its ability to partner with EU institutions in this programme, although participation in other EU programmes as a non-member state is still possible. Incorporation into the mainstream of European higher education would improve prospects for academic

exchanges and employment of international staff. The long process of incorporation into the EU means that donor funding for SEEU purposes from both EU countries and USAID has, with the exception of some limited scholarship funds, ceased. On the other hand, the declaration of independence by the Republic of Kosovo, its recognition by R Macedonia, and the strong links between western R Macedonia, Kosovo and Albania open up possibilities for enhanced co-operation. Likewise, while the opportunities to work with Greece as yet are limited, co-operation with Turkey continues to increase. In many ways SEEU's strategy must reflect political reality.

The Government of R Macedonia has emphasised the development of IT education and skills training as an essential factor in the economic progress of the country and is allocating state funding in this area, but so far not to SEEU.

#### The structure of higher education in R Macedonia

Higher education in R Macedonia is structured into three categories as defined by law: public universities; private (for profit) universities, colleges and faculties; private-public not-for-profit universities. Public universities are those in Skopje, Bitola, Tetovo, Štip and Ohrid (IT) with branches of these universities/faculties in other cities as a result of a continued government policy of extensive dispersion; there are several private, for profit institutions mainly in Skopje; SEEU is the only institution falling into the third category. The Fiscal Strategy of R Macedonia 2010-2012 has 'investments in knowledge and education as the safest way to create professional personnel and a strong state' but the detail does not discuss higher education. The official text describing provisions for higher education in the State Budget of R Macedonia for 2012 is virtually identical to that for 2011, very general in nature, and provides a total of about €40m for the sector.

#### Competition for students

According to the R Macedonia State Statistical Office, there were 58747 registered undergraduate students in 2011/12, of whom 50080 were enrolled full-time. The state budget provided for funding 34300 places at public universities, which enrolled 49675 students of whom 42916 were full-time. So full-time fee-paying students at state universities totalled 8616. Private (and private-public not-for-profit) universities enrolled very much the same number, 8785 fee-paying full-time students, some 15% of the total. SEEU accounted for 43% of this number, the nearest competitor being FON at 20%. Almost all of this private activity is in Skopje.

Students enrolled within the state-funded quota pay €100-200 tuition fee per annum, whereas students outside the quota pay €400 per annum. Students at private universities apart from SEEU pay much higher fees.

The State Statistical Office records approximately 21000 to 22000 students enrolled in each year of pre-university education. Between them, the universities in Macedonia offer more places than there are students taking the Matura examinations, and the age participation rate is approaching 100%, far higher than in other European countries. This is without taking into account the students who pursue their degree courses abroad. This means that students enter R Macedonia's universities with a wide range of abilities and qualifications. It also means that, unless there is a dramatic improvement in non-higher education opportunities for young people, the overall numbers in higher education are unlikely to change significantly: only the distribution might change.

To maintain and grow student numbers, SEEU's additional market for students in Tetovo, Gostivar, etc. is (i) those who attend the public universities or one of the dispersed faculties and who pay the non-quota fees, so have not secured a state-funded place on merit, and (ii) those who may be qualified to obtain a state-funded place but consider SEEU's programmes to be of higher quality and more useful in a free market (which of course does not exist in R Macedonia in the same form as in Western Europe or internationally). In Skopje and other areas, in addition to those attending public universities, the direct competition, apart from (i) those seeking high quality in the same way as elsewhere, is (ii) the students who constitute more than 50% of the private market. The strategic aim is to attract both groups of fee-paying students who have a good academic record, with good offers of quality education in a limited range of subjects. This therefore requires intense attention to detail of programmes and curricula, staff qualifications, teaching ability and approach to working with students, as well as improved links with the community: potential students, parents, schools, private employers, central and local government, etc. It will be the aim of this plan to identify ways of achieving these essential elements for future success.

### The Law on higher education

Apart from the re-formulation of the higher education sector already described, the Law on Higher Education, which is subject to frequent amendment, continues to pose difficulties as it is, in contrast to many other European laws, highly restrictive and without doubt over-regulatory. Indeed it is a complex law, which ignores the regional and indeed European trend (as confirmed by the 2009 report of the MODERN project funded by the European Commission, and the 2010 and 2011 EUA Autonomy Reports I and II (Scorecard)<sup>1</sup>) towards framework laws with maximum autonomy granted to higher education institutions in accordance with constitutional provisions, accompanied by accountability. If R Macedonia were to be assessed according to the Scorecard, there is no doubt it would be at or near the bottom of the existing list in several areas.

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<sup>1</sup> [http://www.eua.be/Libraries/Publications/University\\_Autonomy\\_in\\_Europe\\_II\\_-\\_The\\_Scorecard.sflb.ashx](http://www.eua.be/Libraries/Publications/University_Autonomy_in_Europe_II_-_The_Scorecard.sflb.ashx)

Some provisions of the law are a reaction to perceived problems in quality of service offered by the state universities, and while a number of provisions of the legislation apply only to public universities – as a consequence of restructuring from quasi-independent faculties to an integrated structure – some appear to apply to all institutions. We consider that some provisions may yet restrict us and other institutions (public and private) in responding quickly to changes in the international and local markets, as they continue what is in our opinion an outdated system of *ex ante* programme accreditation and continue to place heavy emphasis on the acquisition of the doctoral degree, which in several academic fields – notably business and management - is not necessarily the best qualification for modern blended learning practice.

All the laws on higher education adopted in R Macedonia since 2000 have opened the vaguely expressed possibility of SEEU seeking state funding to support its recurrent activities in the public interest, and we have consistently argued that this support should be directed initially towards supporting courses in public administration and in languages. The first such request was made in 2002 and repeated at intervals thereafter, most recently in 2012. However, to date there has been no formal response and in the economic climate expected to persist over the next few years, it appears unlikely. So this Plan disregards the prospect of state funding.

#### The developing Bologna Process

SEEU has already implemented most elements of the Bologna Process as relevant and possible under the laws of R Macedonia, including the delayed introduction of third cycle (doctoral) studies from autumn 2012. In some aspects this was assisted by TEMPUS funding, but we have also used other international expertise to review curricula. In April 2012 the Ministerial meeting under the Bologna Process took place in Bucharest. Apart from the general exhortation to governments to support the framework and policies of the developing EHEA, the messages from that meeting relevant to SEEU included the importance of widening access and raising completion rates, fostering student-centred learning and involving students at all levels, and enhanced co-operation with employers. The next Ministerial meeting will take place in Yerevan, Armenia in 2015.

#### The changing labour market and government priorities

Responding to the labour market has been a key feature of SEEU planning from the first thoughts about the curriculum in early 2000. The initial curriculum, looking ahead to how our first full cohort of graduates might be received in the labour market in 2005, was finally drafted in February-April 2001 and accredited in autumn 2001, and has been under constant review since then, with new accreditations in

2011/12. Global, European and domestic markets have changed significantly, and have been particularly volatile in the last few years. It is essential that we remain flexible in adjusting courses, particularly at second cycle, to changing markets, which increasingly demand language and other personal competences. The Bologna Process has assisted this, because it is now possible to provide basic education and skills training in the first cycle, with specialism in different fields in the second cycle and ultimately the third cycle. We can also explore opportunities in accredited lifelong learning (LLL), which is another development in the European Higher Education Area. However the need for *ex ante* accreditation slows down our responsiveness and therefore our international competitiveness. In addition, while contact with employers as advocated by the Ministers in Bucharest is important, in practice in R Macedonia there are only a few major employers outside the public sector. The difficulties of adjusting the 3 year degree to expectations of employers mean that we have to continue to offer a 4 year (3 plus 1) option in some cases.

It was fairly easy at the beginning to project minimum demands for accredited courses, particularly those taught legitimately for the first time in the Albanian language, in law, public administration - at least until the Albanian speaking group achieves pro-rata equality with other groups in the public services - and business administration particularly oriented to small and medium enterprises (SMEs) which make up a large part of the R Macedonia economy. Teacher training in modern and local languages was a late addition to SEEU's planned portfolio of 2001, and demand has always been less certain since such training in Europe is normally at the expense of the state. It was predicted, correctly, that many of our students enrolled on teacher training courses were in fact intending to use their modern language skills elsewhere in the employment market.

Computing Science or IT was also considered to be a good market, particularly if at some early stage teaching could be delivered in English. However for the first three years SEEU offered a combined programme in computing science with communications, which did not prove to be viable and was divided, with communications being transferred to the new Faculty of Languages, Cultures and Communications in 2007. As already mentioned, the Government of R Macedonia is concentrating on developing the country's IT and technological strengths. As a result of its efforts in creating modern IT curricula in first and second cycle and in research, SEEU is well-placed to respond to this priority and to participate in any bids for funding under IPA in developing human resources for the IT sector.

## **ACHIEVEMENTS AND DEVELOPMENT PROSPECTS**

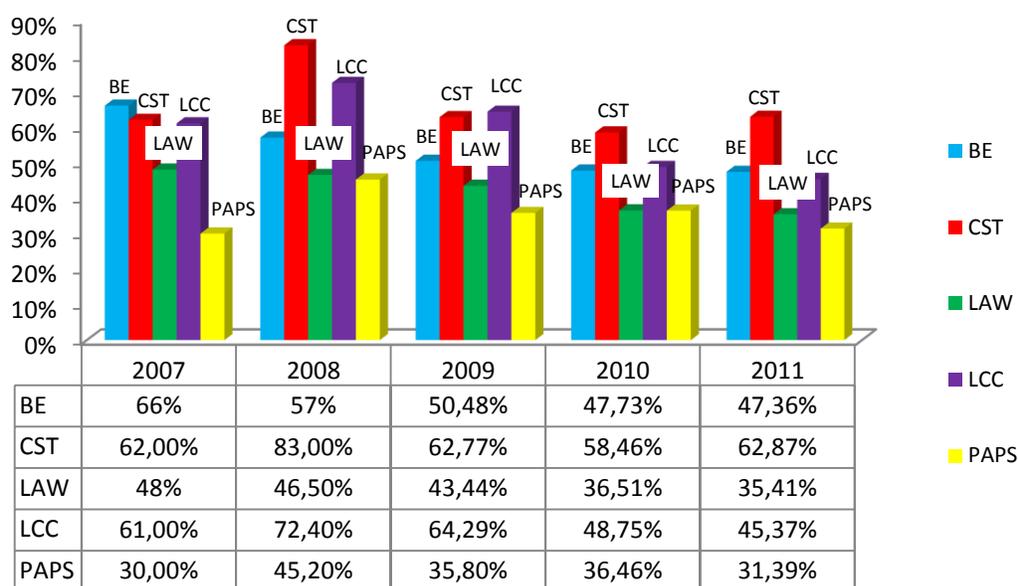
Services to students

The *raison d'être* of any university is its student body, so SEEU is committed to delivering the best quality services designed to allow all students to realise their potential. In full compliance with European trends, SEEU seeks to involve students as partners in the higher education process, not simply customers or clients of our services. To this end, we have increased student participation at all levels of governance, including the University Board. A student satisfaction survey, which is a feature of the most advanced European and international systems, has been successfully implemented in respect of both academic and administrative services. Valuable information is gathered and integrated into the processes for staff evaluation and improvement targets and action plans for development of the Faculties and administrative. It is always difficult to motivate students to take part in such initiatives on top of their academic obligations and social life, but in the future the new legal structure of a Student Parliament should encourage students to be more active in all aspects of university life.

#### Student intake and output of graduates

Enrolments by faculty									Graduation by faculty	
AY/Faculty	2009		2010		2011		2012		2001 - 2012	
	UG	GS	UG	GS	UG	GS	UG	GS	UG	GS
BE	248	149	202	160	162	110	177	102	1859	43
CST	233	69	182	54	152	54	133	47	840	58
LAW	228	129	212	107	187	86	163	73	1494	19
LCC	186	116	185	112	108	89	146	52	1214	87
PAPS	414	113	255	116	221	110	165	60	1572	184
<b>Sub-totals</b>	<b>1309</b>	<b>576</b>	<b>1036</b>	<b>549</b>	<b>830</b>	<b>449</b>	<b>784</b>	<b>334</b>	<b>6979</b>	<b>391</b>
<b>TOTAL</b>	<b>1885</b>		<b>1585</b>		<b>1279</b>		<b>1118</b>		<b>7370</b>	

The number of students enrolled has varied over time. The availability of more first cycle places than potential applicants across the whole higher education system, plus the worsened economic situation, has inevitably resulted in a slow decline in enrolments in most subjects at first cycle, reflected in a reduction in places offered, which are almost all filled. Interest is broadly stable at second cycle, with about 80% of offered places filled. Our total intake is therefore about 1200 students per year, resulting in an overall student population of about 5000, including those who are taking longer than the minimum period to complete their degree.



**Figure1: Employed graduates in % by faculty 2007-2011**

The latest employment statistics, based on a very good 70% response rate, are given below: we can draw general conclusions from these and earlier, more limited, studies, to the effect that while the labour market continues to be limited, we are successful in providing our graduates with the needed tools for employment or further study. Unfortunately no other higher education institution in R Macedonia publishes the equivalent data, so it is not possible to make comparisons.

#### Developing the curriculum

Over the period 2010-2012, degree programmes were developed and accredited in all fields at both undergraduate and graduate levels, some being more successful than others in terms of student recruitment in 2012. Not just the market, and the lack of state support, but our long term vision determines which academic subjects we continue, which ones we start and which ones we stop. Naturally any decisions have human resources as well as financial implications.

The Senate and Faculties working with the Rector and his team developed proposals for new teaching programmes to be adopted by 2012/13; seeking out and developing 'niche' markets as well as adjusting existing curricula based on external evaluations by international experts. The reviews provided a mechanism for a holistic review of all aspects of a Faculty's operations, exploring the culture of the Faculty in the fullest sense, assessing current performance and future strategy: organisation, research, resources and learning, teaching, and quality assurance and enhancement. Given the primary responsibility of Faculties for the quality of

provision and the maintenance of academic standards, the rolling programme of reviews is a permanent feature of the University's quality strategy.

SEEU's developmental priorities continue to be in the fields of business administration and computing science, linking fields such as law, public administration, languages and communications to prepare graduates for the changing markets of the 21<sup>st</sup> century. Particular importance will be placed in following the pan-European trend towards developing second cycle degrees taught in English, thereby enhancing mobility in the new political environment, and in restructuring the University's English language training to focus on English for academic purposes. Further steps will be taken to introduce the concept of service sciences and professional courses providing graduates with additional practical skills. After discussion with the Rector and subsequently with the President of the University Board, all Faculties have produced a strategic vision for 2013-2016 which are summarised in a consolidated Annex to this Plan.

#### The SEEU presence in Skopje

The Skopje Centre opened in September 2008, with student recruitment up to our expectations and has continued to develop, so that total student numbers are currently about 730, or 15% of the total student population. Opening new programmes in Skopje necessitated an increase in the office space leased in the city centre. Further increases within the limited office space in Skopje would place a strain on scheduling so the Board asked the Rector to develop a longer time plan, including as one option the previously projected campus development in Saraj; government-owned land was leased to the university in 2010. As a result of opening the Skopje Centre, overall student numbers have largely been maintained with a positive impact on the budget.

#### Staff development

Since its foundation SEEU has been building up a cadre of full-time qualified staff, at both Master and Doctor level, to replace the part-timers who constituted the main element of academic staff at the level of docent and above. This has been particularly important in subject areas where there were very few local, or regional, Albanian-speaking staff, or where we have had a significant input from staff of other universities in the region in both Albanian and Macedonian languages. This policy has been implemented successfully using funds from USAID, scholarships awarded by OSI, NUFFIC and programmes offered by other countries, plus SEEU's own staff development funds, and the gradual promotion of staff to higher academic titles according to the law. At the end of session 2010-2011 SEEU employed 261 staff with academic titles, of whom 116 were part-time, and 128 other staff, many qualified to first or second cycle, of whom nine were part-time. The development of

the ranking and remuneration policy and associated job descriptions and assimilation to the revised pay spine has had an overall positive effect, but also resulted in a small number of posts being declared redundant, a small number of positions being downgraded, and a number of academic staff newly acquiring the PhD degree held at lower salary points than those promoted earlier. These anomalies will be addressed during the planning period through application of a new performance management system and a complete revision of the staffing complement by 2015.

The traditional barriers between academic and administrative work are breaking down everywhere in Europe. The emphasis needs to be on a team approach to ensuring the most efficient, effective and economical use of available human and physical resources. SEEU's HR staff development policy will take full account of this trend.

### Governance and management

SEEU has since 2002 adopted a governance structure in line with modern European practice, including a governing body and an academic senate with clearly defined functions, separating governance from management. To assist the Board in its responsibilities for audit and risk management, and for human resources, it established two Committees of Board members with defined tasks, benefitting from international expertise; this has been a successful innovation and has resulted in advanced work in both internal audit and risk assessment and in staffing policies and procedures including ranking and remuneration.

Professor Dr Zamir Dika was appointed Rector for an initial four year term 2010-2014. The Rector's Executive has been structured to reflect the objectives and strategic plan: Pro-Rector for academic issues (Provost), Secretary-General, Pro-Rector for research and internationalisation, Pro-Rector for entrepreneurship and planning (with responsibility for University commercial operations, increasing visibility with the business community, spin-off companies, etc), and Executive Advisors for quality and performance management and for public relations and communication.

### Strategic planning, auditing and risk management

SEEU has adopted a formal risk management policy which is now a key element of decision-making in both academic and administrative areas. The audit and risk management function started in 2006 and further refined in 2008 is now well embedded; during the next period we will need to concentrate on providing a strategic planning and monitoring capability. Over the period 2010-2012 SEEU has introduced, in stages, performance management based on key performance indicators (KPIs) and SMART objectives and will embed the risk management policy

into central and faculty administrations, incorporating concepts such as business continuity planning (BCP) and emergency and crisis planning.

### Research and scholarship

SEEU will continue its dedication to research as a core part of its mission. Research activity at SEEU will continue to be an essential element of all academic staff duties in the belief that an active and vital research culture is of benefit to all areas studies in the University. SEEU formally adopted an institutional research policy in 2004, and by 2009 had developed research activities in all Faculties, devoting about 1.5% of its budget to funding research projects. From 2008 it adopted a policy of supporting projects which attract external funding. SEEU from 2003 has been involved in 26 TEMPUS Projects funded by the European Commission. SEEU staff have also been partners in FP6, FP7, UNDP and SEEU is a full partner in RRPP (Regional Research Promotion Programme) funded by the Swiss Government.

SEEU wishes to identify itself, in EUA terminology, as a 'research-intensive' university in which individual and group research impacts directly on the teaching and learning process. Significant funding for research is very difficult to obtain in R Macedonia; the available resources cover quite small projects. Building on the existing activities, the University must take every opportunity to obtain research funding from the EU and other agencies, in collaboration with other institutions or on its own. Research also has to be seen as an automatic and key responsibility of all full-time academic staff, other than those recruited for specific teaching-only roles.

In 2012 SEEU registered two research institutes: the Max Van der Stoel Institute and the Institute for Applied Research on Business and Informatics. Both Institutes function as integrated units of the University: their mission is to develop and organize research activities in the field of humanitarian sciences, political sciences, international relations, law and public administration, business, economics and informatics. The Institutes' key activities are education, research, and development and project implementation. During the coming period SEEU will create a Centre of Excellence and Research which will contribute to society and the country's economy through knowledge and technology transfer and the application of research in the wider community.

During the period 2013-2016 SEEU will further support presentations at international conferences through research development funds, and promote submission of journal articles by encouraging younger staff in particular through adjustments in teaching responsibilities and incentives to those whose articles are accepted for publication in international journals listed in Thomson Reuters Web of Science as one of the most important indicators for the ranking of universities. The PhD School has been established from 2012/13.

Since the foundation of the University, about 220 books have been published (100 under the SEEU imprint). There have been about 450 presentations at international conferences, numerous presentations at national conferences, and about 420 papers published in refereed journals. The pace of such activities is increasing, as funding permits. From academic year 2012/2013 the scientific journal 'SEEU Review' will be published online in VERSITA, one of the largest open access publishers, while we are planning to improve the quality of the journal and list it in ISI Thomson Reuters.

#### Developing pedagogy, use of IT and blended learning, e-learning

With assistance from the USAID HELP project (2001-2007), SEEU established an Instructional Support Centre (ISC). The role of ISC is to provide general methodology training linked with observations to achieve good teaching practice for academic staff, and different types of training for administrative staff aiming at improving the quality of services provided for students. The work of ISC is part of a policy of continuous improvement in teaching and learning, including the progressive introduction of blended learning, as distinct from the US term 'instruction'. Other aspects of this policy include: teaching observation, introduced in 2007 and extended to all academic staff by 2012; a university-funded research project (Law and CST) on access to recorded lectures and other materials via Internet- capable mobile telephones; 'ANGEL' a LMS (Learning Management System) application adapted for SEEU use, funded by the HELP project from 2005-2008, replaced by a purpose-built SEEU LMS application in 2009 – LIBRI - designed and developed as part of a two-year research project in the CST faculty (2007-2009). Although many commercial and open source solutions are available our strategy is to proceed to in-house development.

LIBRI is a complex data system primarily determined for the support of the pure set of e-learning activities. As e-learning becomes a mainstream activity for our institution and fundamental to our strategy, the importance and profile of the LMS is increased. LMS-LIBRI has been in use for almost 4 years and currently is the main communication channel for teaching staff and students. Studies show that it is the LMS experience itself that makes many users able to identify the possibilities in the technology and to ask more of an LMS, so they have become the key drivers towards LMS change and enhancement. Hence one of the main concerns in the further development of LMS at SEEU is to identify user requirements and to implement them by using the latest technological trends.

#### Quality Assurance

At national level, in 2011, the Accreditation and Evaluation Board became a single agency with continued responsibility for licensing and ex- ante programme accreditation and review, in line with current higher education law. During 2011-

12, SEEU successfully re-accredited its programmes in accordance with these national requirements. From the 2010-11 academic year, SEEU has also been able to recruit students from Turkey with full recognition of SEEU studies from the Higher Education Council of Turkey (YOK).

The Accreditation and Evaluation Board combined accreditation with a responsibility for quality assurance. To this end, it has required the publication of institutional Self-Evaluation Reports which the University has provided with appropriate detail and self-reflection. SEEU awaits further developments concerning quality assurance and continues to support the establishment and active functioning of a national or regional quality assurance agency with international input.

Also during 2011-12, the Ministry of Education and Science engaged Shanghai Jiao Tong University to establish a National Ranking System. SEEU fully supported such an initiative designed to evaluate and develop university education and was very pleased to be ranked second out of 19 institutions. The University has also sought actively to contribute to the strengthening of this process so that it becomes a more transparent and valid tool. The next ranking exercise is due to take place in 2013. The University should use this ranking exercise in future to inform its strategic and resource planning as well as to support the development of key areas of activity such as research and industry links.

The University has also successfully completed its first round of external Programme Reviews, for every Faculty and the Language Centre. A team of staff, led by an international expert in the field, carried out on-site visits, interviews and analysis of Faculty/Centre culture, performance, plans, resources, quality of learning and teaching and quality management. These reviews have resulted in useful reports which the Faculties/Centre and senior management have used actively in their planning and curriculum development work. Given the primary responsibility of Faculties for the quality of provision and the maintenance of academic standards, this rolling programme of reviews will continue as a major element of the University's quality strategy on a four to six year cycle.

The University also retained its ISO standard 9001.2008 for the third time, using this international process to support the efficiency of its administrative and management processes. We aim to maintain this external accreditation and to use it to develop effective evaluative tools. In 2012, the Quality Management System was thoroughly reviewed resulting in updated procedures which will now be implemented.

At international level, the University has twice been evaluated by the EUA's Institutional Review Programme, first in 2005 and with a follow-up visit in May 2009. Both reports provided very positive feedback concerning leadership and

potential for improvement and gave valuable suggestions for further development of internal decision-making and resource allocation. The University intends to continue with the review process which is seen as insightful as well as supportive of solid quality enhancement.

As mentioned above, major initiatives were taken during the period 2010-2012 in pursuit of our principal aim of achieving excellence in both teaching and research. In summary, these were the improvements in the quality assurance system, adopting improved internal audit procedures, consolidating our risk management policy, reviewing and adding value to teaching observations, maintenance of the Student Evaluation Survey, introduction of a Client Audit Survey, development of LIBRI, a performance-related assessment of research activity by staff, a more active Staff Evaluation procedure, objective recruitment and academic promotion processes and further development of what is already the best IT infrastructure in the region.

The priorities for the planning period include: maintaining the cycle of programme and institutional review with active use of evaluative outcomes from the reports; contributing, if requested to do so, to developing and strengthening national quality initiatives; complying with the quality assurance elements of the national legal framework, developing these so that they have a real added value and positive impact on the student experience; maintaining and actively developing integrated, transparent, internal quality assurance mechanisms concerning resource management, teaching and learning, student involvement in quality evaluation, and efficient performance management and administration with measurable impact and value.

#### Internationalisation

From its earliest days, SEEU built up a network of co-operation with other universities in the region, particularly public universities in Kosovo and Albania, and individual faculties in public universities in R Macedonia, in addition to the major projects with Indiana University sponsored by USAID (2001-2004 and 2004-2007) and some European links in particular subject areas. The University now plans to consolidate its links with other institutions in Europe, including Turkey, through joint programmes and EU funds, and possibly the US if funding is available through the endowment with the Indiana University Foundation. However we need to be selective, building up a few strong links rather than many 'paper agreements.' Opportunities exist under ERASMUS MUNDUS, FP7, the US National Science Foundation, etc, and a number of ERASMUS agreements have already been signed, with more to follow in the coming period.

In 2011 and 2012 SEEU collaborated with Indiana University to offer a week-long residential programme delivered by IU staff on the Tetovo campus for Executive MBA students from the Indian Institute of Technology in Lucknow. In 2012 the

students, drawn from middle-ranking managers in India, were accommodated on campus. It is hoped to repeat this and similar programmes in 2013-16.

Several discussions have taken place about the feasibility of establishing joint and dual degrees. The first concrete result was the agreement with the University of London External Programme (now International Programmes) to offer a first cycle dual degree in Information Systems and Management via the London School of Economics and Political Science (LSE). After a slow start, this programme is now well-established. These concepts are developing rapidly in the European Higher Education Area, particularly in Joint Masters' degrees. It is not easy to achieve agreements of this kind but SEEU will be left behind if it does not commit resources, so it intends to do so in specific fields.

A new arrangement with the Kelley School of Business at Indiana University enables some MA students in the Faculty of Business and Economics to obtain a certificate from IU.

#### Human resources

Despite the difficulties experienced in the period 2001-2004 in recruiting sufficient qualified staff, SEEU has been committed to an open, transparent and fair process of staff appointments in accordance with relevant laws and by 2012 had developed a series of policies and protocols designed with that in mind. SEEU is moving towards having its own cadre of staff qualified to MA and PhD level by about 2014 so not having to rely on part-time staff of other universities except in specific specialist areas where inter-university co-operation is an essential element in the use of otherwise scarce human resources.

Changes from a four year to a three year first cycle, and adoption of second and third cycle curricula in line with the Bologna Process, has affected the University's requirements for different groups of staff. More emphasis will be placed on recruiting staff able to teach in English in most fields, including the use of native English speakers in particular fields, not only languages but also areas where English is the lingua franca, so for example international business, computing science, international law, etc. Using data collected from teaching observations, management and student evaluations, research activity reports and other relevant sources, SEEU will gradually change its staffing profile to differentiate between first cycle teaching in local languages, teaching in second and third cycle in English, and establishing teams of research-active staff and doctoral students. This will be co-ordinated with financial planning including the further refinement of the University's remuneration policy.

In 2015, in accordance with the law and SEEU's adopted policies, all academic staff positions will be re-advertised in order to secure the best possible candidates

qualified to the standards which SEEU now expects. Staff will be able to build up their professional portfolio in both teaching and research over the period 2012-2015. As an important step towards this, from September 2012 the University adopted the policy foreseen in 2009 relating to the use of English in defined fields, and strengthened the criteria for election or re-election to all positions. At the time of adoption of this Plan we have about 60 staff enrolled for PhD.

Further progress is planned in staff development linked to future staffing needs, not restricted to academic staff but related to the team approach to support of academic activities discussed above. The Board identified the need to concentrate available resources in this area by establishing a Staffing Committee to exercise an independent supervision of management action and to receive regular progress reports. This Committee has proved to be highly effective.

Related to staff development, SEEU will continue to develop its policy on replacement of staff as they reach retirement age, and training to fill positions such as Rector, Pro-Rectors, Deans and other office-holders.

#### Equal Opportunities and Diversity

Although the principle of non-discrimination has been accepted by SEEU from the beginning, a new initiative to develop a formal equal opportunities policy and to implement it, not just in gender equality but also to counter disability and other forms of discrimination, was launched by the Board in November 2008 and is now fully in operation, with specific training given particularly in the area of access by disabled persons, both staff and students.

#### Finance

The University Board has developed a conservative budgetary policy allowing room for innovation and securing adequate reserves, not just to meet the requirements of the law but planning for new developments and improving quality. This has an impact on tuition fees, which constitute over 80% of SEEU income. In the circumstances of 2001, tuition fees were set at a level which would make SEEU self-sufficient in teaching in the original buildings, with the original curriculum and staff, in a period of three to four years, at a target student population of 2800, and also set as low as possible to promote access from lower socio-economic groups. The initial fee for the four-year first degree was set on this basis at about €1000 per year in 2001; the fees in 2012 are from €1300 to €1800 per year, depending on subject, with additional fees charged for courses taught entirely in English, and higher fees for second and third cycle degrees. Since 2001 student numbers have increased from 800 to about 5000, academic staff numbers have also increased from 65 to 261, a staff-student ratio (SSR) broadly in line with European norms, and the University has significantly expanded its physical infrastructure and improved the

quality of its provision. Setting tuition fee levels in the light of the changing market and inflationary pressures is a difficult exercise; SEEU fees are somewhat higher than the real cost of non-quota places at public universities, taking into account the additional fees charged by those institutions. SEEU fees are however lower than those charged by private universities. Despite some inflation in non-staff costs, notably in energy, the Board has maintained tuition fees at 2009/10 levels until 2012/13. The level of fees will however be kept under review during the planning period to ensure financial stability as an element of preserving quality.

In the period up to 2012/13 SEEU continued to benefit from scholarships in specific fields donated by the Government of The Netherlands and the Open Society Institute. Most other externally-financed scholarship programmes have ended and the remaining ones will end during the planning period. SEEU has offered a limited number of scholarships for especially talented students, disabled students and the Roma community. We are continually looking at new opportunities for scholarships in particular fields or to achieve gender, ethnic or other equality but funding is difficult to access; we have had limited success in attracting commercial funds. At present, following trends of global financial uncertainty, there is not a bright future for economic development in R Macedonia: this may result in lower family incomes in our main target group of clients. Scholarships remain one of the most important mechanisms to retain the quantity and also the quality of students in the coming period. The University needs to motivate donors, not just from the public sector or international funds, but also the commercial sector.

One income stream which has proved problematic in practice has been the provision of catering services, originally designed by the International Foundation which managed the SEEU project on the basis that all students would take one main meal each working day. The original plan was to maintain one cafeteria seating about 400 students, doubling as a hall for events or even teaching, equipped from the start-up funds and paying back the equipment cost through rental over about ten years. To cope with the larger than expected student numbers, another restaurant was constructed in 2004 using a commercial loan. In order to comply with VAT legislation, SEEU set up a Company to manage its commercial letting (restaurants and cafeterias, supermarket and post office, supplemented in 2012 by other domestic services) but with the general economic downturn, changes in eating habits, and increasing competition in the neighbourhood, the catering services were loss-making for some years. Ensuring a steady income stream into the University Company and planning to generate surpluses to support university activities have become major concerns. The decision was taken in 2012 to 'mothball' the second restaurant and explore different usage of the building, and to let a new contract for the original cafeteria so that the financial position has improved somewhat. The situation will be monitored carefully over the coming period. Among other factors to be taken into account is the rapid development of restaurants close to the University, and the significant number of national and religious holidays which fall

during semester, so affecting the catering trade. The overall aim is to make the commercial operations self-sustaining.

In 2008 SEEU embarked on a cost reduction exercise as part of its quality assurance process and in response to environmental concerns. Developing alternative, renewable energy sources in collaboration with the Institute for EHS, utility providers and public authorities will continue to be an important part of our strategy. A feasibility study on electricity generation using photo-voltaic cells generating 100kw with potential for expansion has been developed, and a further study on moving towards a carbon-zero position (the Climate Action Plan) by 2016 is also active, including a plan to switch from heavy oil (mazut) to other lower cost and carbon neutral energy for heating. Improved functionality and usage of the University's sophisticated IT systems has been supported by research and development funds and through TEMPUS projects. An on-going programme of reducing the use of paper and other consumables, eliminating unnecessary functions, providing additional services on a 'cost plus' basis, reviewing all staff appointments and promoting efficiency are all key to our success in this area.

SEEU has developed a sophisticated budgetary process which allows it to predict income and expenditure in different areas more effectively, and to illustrate cross-subsidisation of different academic activities. This leads to development of a resource allocation model which will have the effect of encouraging innovation in income generation and constraining costs.

SEEU will continue to research ways of further capitalising the endowment held in the IUF through tax-deductible donations in the US or by injection of surplus funds, and/or setting up alternative endowments within the EU. Income from the endowment will be used to support teaching, research and peer review evaluation by visiting professors from the US thus minimising the effects of currency fluctuations.

#### Entrepreneurial activity

Diversifying income streams is a common feature of higher education institutions' financial sustainability across Europe. A successful University should increase the knowledge level of the students, but needs also to serve as an important development driver for the community. The real private and public sector in the local and wider environment should gain from the University's activity too. Sharing knowledge and risk with the private sector is the normal logic of the most recognized universities in the world. Shared knowledge is needed to bring down costs, provide more savings and investments, in both the public and private sectors. The University has to be part of those processes and to share part of the incomes too. Earnings from the University's entrepreneurial activities need to become a significant part of the University's income finance structure.

The University's entrepreneurial activity assumes numerous forms. Much of the work that we see comes through the Business Development Centre (BDC), which pioneers ways in which the University can make business connections with the local, national, and regional corporate communities. It was through this involvement that the logistics were provided for the Business Analytics programme which brought 70 Indian students to the campus. The BDC has provided training in professionalism, developing business plans, preparing global leaders, and other corporate and management-driven training sessions, and has presented them for local companies and NGOs. It has also created a business plan for a local company, has provided web design for five companies, and has made marketing arrangements with six local companies for promotional marketing. The BDC has recently won the tender for organizing training for the Ministry of Economy, and this project is expected to begin at the end of November 2012. Other initiatives are taken by the Language Centre.

Apart from the BDC, SEEU also has on-site inexpensive accommodation, simultaneous translation equipment and other resources, so is well-placed to offer facilities for academic and other conferences and income-generating events, working as appropriate with other universities in R Macedonia and the region.

#### Administration and support services

In the period 2009-12, SEEU administration has consolidated its position as a central support to University operations with clear lines of responsibility and accountability. In addition, the administration has continued with actions to increase efficiency and reduce running expenses for the institution. Action planning throughout the University has been introduced and well established. The design and implementation of a whole set of new Rules and policies has enabled the University to quickly adjust to new legal requirements. A programme of creating service standards was developed as part of the overall quality assurance system. In addition several programmes of staff training and development have taken place and will be continued annually. One of the most comprehensive improvements that is being undertaken is the development of the ERP system which is intended to integrate all functions within one platform with a clear goal to better manage University resources.

The priorities for the planning period are to conclude the process of implementation of service standards including analysis of administration positions for better resource distribution, and fully develop the ERP system by integrating operations of HR, Finance, Student Services, and Facilities. Charging for additional services on a 'cost plus' basis and reducing cost of paper-based operations would provide for a more efficient operation.

SEEU has been a wholly integrated institution since 2001 and has sought to establish an appropriate balance between decentralisation and autonomy, assisted by the follow-up report of the EUA Institutional Review Programme in 2009. The University Board will keep under review the needs of Faculties in a devolved funding model with maximum efficiency in operating costs.

### Physical development and equipment

Whatever the future holds for SEEU, the campus needs further development of sporting and related facilities, it has to develop renewable energy sources, and if the concept of private-public status is to be meaningful, we must explore the possible development of private initiatives. However, in the economic climate prevailing in 2012, the Board has postponed all initiatives except those which will return any University costs in a defined period, for example energy generation from renewable resources, or projects funded entirely or substantially from other sources. This includes the Skopje centre and the projected development in Saraj. This policy will be kept under review.

The original facilities in Tetovo constructed in 2001 and those built in the subsequent two years are prefabricated buildings (phases 1, 2 and 3) with a service life of 15-20 years. Buildings constructed after that are permanent structures. The Board makes an annual provision in the budget (depreciation) for maintenance and repair, so that it will be 2016 at the earliest before there will be a need to consider replacing the prefabricated structures. SEEU also has complex water and waste disposal for the campus and heating systems for the majority of its buildings, which will need at least partial replacement in the coming period. Fortunately the IT infrastructure has been kept fully up to date and is under constant revision. Some surplus space has been taken out of teaching use and converted to fitness facilities.

From 2002 SEEU has had approximately 450 bed spaces for students coming from outside R Macedonia and from distant towns and villages within the state, some rooms being used to accommodate staff. The demand for student rooms, which was well over supply in the University's first five years, has been affected by the construction of a large number of private apartments in Tetovo, offering rents at or below those offered on campus, and some changes in the demography of the student entry, including a reduction in the number of students from Kosovo, for a variety of reasons. The market and need for student accommodation will be kept under review: there are no plans to construct further residences. Refurbishment of the prefabricated structures is an ongoing cost, and like the teaching buildings constructed in 2001, the expected lifespan is 15-20 years although in practice this is likely to be a pessimistic estimate. A review of the use of the existing residential buildings indicates that the structure is relatively easily converted into other kinds of use: as offices, bases for small companies, etc so that if necessary we can

continue to cover running costs and maintenance. For the present, we are not proceeding to utilise a part of the existing residential accommodation as a 'hotel' for academic and other visitors, although this option is available to us depending on student demand.

### Public Relations and Marketing

In a competitive market for students and research funding, and in pursuance of our wish to develop internationally, SEEU will continue to keep under review its PR activities, the website etc for fitness for purpose; part of this review will be the effective promotion of SEEU expertise to the media, government, NGOs, etc. International consultants advised on communication strategy in 2010.

A review of the way in which we communicate with staff and students, and how they can make their views known has been completed and will be further refined over the planning period.

Marketing strategy must be kept under review so that we are at least on a level with our known competitors: it is not just a question of billboards and advertisements but also how we relate to the market, how the University is portrayed in the media, etc. Responsibility for marketing is not confined to the administration; within agreed guidelines it is a function in which all staff can become involved. There are lessons to be learned from the success of some departments in increasing student numbers in 2012.

## ANNEX 1

### Consolidated Faculty Strategic Visions

Faculties recognise the need to engage in forward thinking and to be pro-active to ensure the success and sustainability of the University in the developing international and national financial climate. As expressed by the Faculty of Business and Economics, strategic forecasting will help the Faculty to deal in a better way with what the future will bring: it usually comes much more quickly than we can imagine, can find the organization unprepared and the response time is very important. This is illustrated by the Faculty's optimistic view of the future economic situation in the region, and the consequent positive effects on student recruitment linked to financial resources of prospective students.

All five Faculties plan to play an active role in increasing student numbers, particularly at second cycle, spread over the two SEEU locations, and so will establish or develop existing links with high schools and keep curricula under review in line with changes in the labour market; the need to be flexible has been emphasised. For example, the Faculty of Languages, Cultures and Communications will concentrate on developing programmes likely to be attractive to students and re-align areas of activity accordingly. In line with the internationalisation strategy of the University, this includes working in collaboration with other universities, for example in the Faculty of Public Administration and Political Science, the undergraduate programme Leadership and Community Youth Work in collaboration with University of Jönköping in Sweden (double degree) and proposals for a joint degree programmes with the Faculty of Social Science –University of Ljubljana in the area of European Studies be designed to offer content that will address the issue of capacities of state administration to absorb EU funds and also to create a cadre to work in EU institutions with the accession process of the Republic of Macedonia. In the Law Faculty, greater emphasis will be put on practical work, use of cases, holding mock trials, developing links with professional bodies, etc. The Faculty of Business and Economics will seek to establish closer links with business, working with the Business Education Centre – including possibly increasing scholarship support - and also build on the links with the London International Programmes and the Kelley School of Business (Indiana University). The Faculty of CST will encourage greater use of elective courses related directly to the IT industry. The University's stress on student acquisition of key competences in addition to academic knowledge is a major strength which should be reflected in employability. In addition, the introduction of doctoral studies creates major opportunities to develop SEEU's work in research in all Faculties.

Faculties also intend to review their management, in line with the overall strategic objective to improve communication with teaching staff in order to introduce avenues for more constructive feedback and active involvement of the staff in processes related to academic decision making. Teaching staff should be regularly and effectively informed about new university policies, effective organization of faculty council meetings-setting the agenda; creating an environment for constructive discussions; and evaluation of draft minutes. For example in the Faculty of Public Administration and Political Science, an ERASMUS MUNDUS

project with the Faculty of Social Science-University of Ljubljana will provide for the mobility of five teaching staff for the years 2012-2014.

The effective deployment of expertise of academic staff is central to the overall aim of making best use of human resources and to improve quality of teaching, through the use of existing methodology. The gradual replacement of part-time staff is a reflection of the overall University aim to build up its own cadre of qualified staff after 12 years and to ensure that all staff are assessed and evaluated on the same basis. Staff development, including support for research activity, will be a key element in building the best quality staffing profile in the region. As an example, the CST Faculty plans to strengthen technical and theoretical capacities in Project Cycle Management based on the well-known Logical Framework Approach used in designing and implementing EU-funded projects.

In a similar vein, Faculties generally advocate greater transparency and improved communication with the student body involving them actively in council meetings and in the quality assurance team and hearing their concerns and needs with the overall aim to improve the teaching process. They also propose an intensification of cooperation with alumni, by including them in the organizational structure especially in curricula planning, because they are most interested in the reputation of the faculty as the value of the diploma is directly related with the reputation of management. This requires however an accurate database of alumni.

The overall University aim of increasing the number of courses taught in English is reflected, for example, in the plan of the Faculty of Law to re-introduce a second cycle programme in International Law in the English language. The Faculties recognise that this means going outside the region to recruit international staff to deliver this type of programme with a value added greater than SEEU's competitors.

All Faculties see the market for second cycle studies, notably in R Kosovo, as being a key development for the next period, as what SEEU offers brings a competitive advantage (second in the R Macedonia league table, better reputation, better programmes, better conditions etc). It is recognised that this is related with the price issue, as the cost of study in second cycle is very similar with all other universities in R Macedonia and the region, which is not the case with undergraduate studies.

Faculties will aim to build on existing successes in holding national and international conferences, to make these a regular feature of SEEU activity.