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*The Fast Track of Polish Education since 1989***Krzysztof Pawlowski****Rector, Nowy Sacz Higher School of Business/National Louis****I. Changes in Polish Higher Education since 1989**

In 1989, the Third Polish Republic began its existence with 403,800 students attending 112 undergraduate and graduate schools. Education enrollment indicators for 19-24 year-old individuals leveled at 12.9 percent gross and 9.8 percent net. In 12 years, in 2001, we now have 332 graduate schools in Poland, which provide education to over 1.5 million students. Current education enrollment indicator corresponds to 40.7 percent gross and 30.6 percent net. This is probably the shortest description of the Polish educational miracle based on comparisons with the year of 1989. At that time, there was only one private graduate school in Poland, Catholic University of Lublin founded by the Catholic Church. During the last ten years, the quantity of such schools increased to 216 with the total enrollment of 472,000 students. A year ago, the number of students admitted to private schools was 35 percent of all admitted students.

In 2000, about 261,000 individuals studied in Polish graduate schools, 31.5 percent of them in business and other administrative programs (twice as many as in 1989), 16.1 percent on pedagogical, 11 percent technical, and 12.7 percent in social programs. The proportion of students in humanities decreased (from 10.9 percent in 1989 to 7.5 percent in 2000). The number of students studying agriculture fell (by 2.5 times) as well as those enrolled in health care studies (by 4 times). Such changes were driven by economic development in Poland. In the past, the percentage of unemployed with graduate degrees was not calculated by the official statistics. This fact as well as the drastic increase in salaries for the university graduates in comparison with other workers in the communist times caused a true cultural revolution in Poland. Higher education became a great demand among low-income, rural, and other families from villages and small towns.

The 1990 law on higher education became a formal stimulus for the introduction of changes in the field of undergraduate and graduate education in Poland. At that time, the law was viewed as a very liberal instrument, which provided a wide and prospective autonomy for state-controlled educational establishments and allowed private undergraduate and graduate schools to open. At the time, I was honored to serve as a member the Polish Parliament and, when voting in support of this law, I could not imagine that I was igniting an important mechanism for the development of education and creating a legal base for my own educational initiatives in the near future.

In 2001-2002, higher education in Poland reached its highest quantitative level. Years ending the demographic peak had a significant impact on the graduate schools, when the number of vacant seats exceeds the number of candidates for studies. Beginning 2004, the number of 19 year-old individuals will start to decrease, from 698,000 to 380,000 in 20 years.

Until recently the biggest number of students (755,000, or 47.6 percent) attended graduate schools in the five largest academic centers: Warsaw, Krakow, Upper Silesia, Wroclaw, and Poznan. In Warsaw alone, about 276,000 undergraduate students are enrolled in studies, including 127,400, who attend classes at private schools (almost 50 percent).

However, the most important distinguishing feature of the higher education development in the 1990s was the rapid growth of school numbers in small and medium towns, which had not hosted a single graduate school before 1989. Private schools emerged in more than 50 small and medium towns with no previous academic tradition becoming important centers for local and regional development.

Training programs on a post-diploma level (specialized year-long programs for individuals with graduate degrees) prepared specialists, who were demanded by the Polish economy. Total number of students attending such programs increased by 5 times in the last 10 years (from 32,000 to 170,000), and the quantity of students on such programs at business schools increased by 10 times (from 2,400 to 24,100). About a three-fold increase was observed in the number of post-graduate (doctorate) students (from 1,500 to 4,400), and the quantity of public thesis defenses increased by 7 times. from 869 in 1990 to 6,107 in 2000.

## II. Private Graduate Schools

More and more experts assure that unbelievable explosion in privately owned graduate school development is one of the most important characteristics of the transition process in Poland in the 1990s. None of the authors of the above-mentioned law could foresee such a consequence. Currently, there are 216 graduate schools and 500,000 students, the outcome of strong entrepreneurial spirit and courage of the many academic leaders as well as the result of the aspirations of the Polish youth.

First private schools appeared in 1991 and 1992, mainly in larger cities. (HSB-NLU, founded in 1991-92, became the first school in a small town without any previous academic tradition.) Most of them were usually offering business education at a bachelor's level. Little by little, other schools of humanitarian, pedagogic, art, and technical concentration followed in this path. Altogether, they are already preparing students of 39 specializations. At present, 44 schools, privately owned educational establishments, offer education at master's level, 3 of which were licensed to grant Ph.D.s.

Quality is different among the different schools. Most of them still being on the initial development stage enroll small numbers of students, lack privately owned facilities, and recruit professors from state-controlled schools to train their own students. However, the increasing number of schools (by about 30 per year) took the level when it became possible to compete with the best departments at state universities. At present, we already employ our own staff, especially young assistant professors, own well-equipped auditoriums and invest in our business development. The following schools are leaders of the Polish private education:

- Leon Kozminski Academy of Management and Entrepreneurship;
- Higher School of Humanities in Pultusk;
- Higher School of Business/National Louis University.

The first two have had a permission to grant Ph.D.s, and students at the third one receive the American Bachelor's Degree in addition to the traditional Polish diploma.

### III. Success Story: HSB-NLU in Nowy Sacz

Our school in Nowy Sacz was a political initiative. In the beginning of 1990s, I was convinced that the most important investment in the future of Poland was the investment in education for the young generation of Poles. There were my constituents among them, the inhabitants of the town of Nowy Sacz. It is a small town (80,000 people), located in the center of the picturesque land of Malopolska (Little Poland) in the Carpathian Mountains. The startup was very humble with 64 students attending classes in the Stadnicki Palace (about 11 km from Nowy Sacz). Very soon it became clear to me that it would be hard to survive without the introduction of a highly regarded foreign business-education program. At that time, almost all Polish economic schools provided rather theoretical education, and none of them had capabilities to prepare students to effectively perform in the real business environment. So we started to look for an American school that could provide us with its full business training program at a graduate level. At the same time, NLU, a small private American university based in Evanston, near Chicago, was actively looking for partners in Poland. At the end of 1991, we hosted the first NLU delegation in Nowy Sacz and on May 8, 1992, an unprecedented agreement was completed, which played a crucial role in our future accomplishments.

The Americans did not give us money, but they provided us with something more valuable, a top-quality business training program, an English Language Course that is the best in Poland, professional administrators for the first three years, and something less measurable but very important—the unique quality of being an American-Polish school. The first five years (until 1996) were extremely difficult for us as we literally had nothing to work with, except a leased palace of 1,000 sq. m. and \$2,000 in cash in 1991. During the first three years we were accepting students exclusively for a full-time program, which was very expensive (students were obliged to take up a minimum of 1,000 hours of foreign language studies during 3 years). Little by little, we started to accept more and more students; this balanced our budget a bit at the level of tuition of \$1,200 per year. From 1994, we launched the construction of our own facilities and bought out the property of an old construction company, which went bankrupt (the payment was extended over a five-year period in equal installments). While repairing the existing buildings we started constructing new facilities. Very often I repeated that during the first 5 years I was the most famous "burglar in Poland." Additional funds to support the school and cover the most urgent expenses were generated mainly from Polish businesses and, in some cases, from international corporations and foundations.

In 1996 we started to harvest first successes. In the very short period of time the Polish labor market recognized the academic and professional maturity of our first graduates (1994-96) due to their excellent language skills (knowledge of at least two foreign languages), outstanding computer and business knowledge, as well as strong confidence in their own abilities, courage, and ambition. The best Polish companies and branches of international corporations located in Warsaw were eagerly employing our graduates. At the same time, we started to organize specialized programs of exclusive seminars for large company managers as well as post-graduate programs for leadership of large manufacturing enterprises. As a result, in 1996 we found ourselves on top of one of the most prestigious rankings of Polish business schools, which is regularly published by Wprost, a major Polish news magazine.

## An Action Update

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That was the breaking news for those times when a small, unknown school from Nowy Sacz was announced the best in Poland. After this, we enjoyed an increase of young people interested in studies at our school. At present time, about 88 percent of all our students come from outside Nowy Sacz, and 70 percent are not even residing within the borders of the Malopolska Region. We became (in terms of permanent students' residence) the most national school beating out the most prestigious Polish state universities. In the last three years, 10 percent of our students came from the United States after graduating high schools there. With each following year we host more and more students from Ukraine (for example, in 2000 about 7 students, sponsored by the Polish-German Cooperation Fund, graduated our MBA program).

Today, HSB-NLU can list the following accomplishments:

- Recognized as the best public initiative for the past decade of 1989-99 in the Pro Publico Bono contest in 1999.

- Granting two diplomas and two professional degrees to its students (Polish bachelor's and master's degrees and American NLU bachelor in management, marketing, and informatics) as the only one in Central and Eastern Europe.

- The only Polish school accredited with NCA.

- Full on-line master's program (16 courses) launched in 2001.

- Organizing distance classes by means of the up-to-date video-image transmitting equipment in a real-time mode via the telephone lines.

- Owning an electronic library, which is constantly updated storing about 1,100 titles of American periodical literature on CDs; there is a direct internet connection to NLU library resources.

- Well-developed internet system and 300 computers connected to the network; IT development allows to provide each student with their personal e-mail address for life.

- Owning the best quality tangible assets: 1,800 day-time and 1,700 distant students attend educational and training facilities of 6,000 sq. m.; in 2002 another facility of 4,200 sq. m. will be finished.

- Developed campus infrastructure with 3 dormitories for more than 350 students and in 2002 another two will be constructed for over 200 students, and the sports facilities (2 covered and two open tennis courts, stadiums for football, soccer, volleyball, fitness-club with a well-equipped power-lifting gym).

- Currently making significant investments in the development of professional staff, in HSB-NLU, about 42 assistant professors and 60 professors of foreign languages are employed full-time, and 3 of the first young teachers, who had started work several years ago, already received Ph.D.s.

- Established strong and vigorous connections with business; graduate MBA program at HSB-NLU was attended by 800 individuals last year.

- Developed an integral and favorable student atmosphere: students participate in various research projects, clubs and national and international competitions winning top prizes (such as the Entrepreneurship Competition or Market Place).

HSB-NLU has a significant impact on Nowy Sacz's population by increasing the educational level of local inhabitants (more than 1,000 inhabitants already graduated the school). In 2001, the Department of Marketing joined students to conduct a research of full-time HSB-NLU students studying their level of expenditures. General annual students' expenses can be compared to those of the local small business and popular incomes at a level of zl. 20 million (about \$5 million), which translates into about \$250 per family in Nowy Sacz. The school is one of the largest employers in the region, where 250 individuals work full-time and a large number of people are employed with different adjacent companies.

#### IV. HSB-NLU Development Plans

HSB-NLU has already reached the level of human, organizational, and financial development required to build longer-term plans. The fundamental goal of the school is to dominate the Central European educational market in the segment of "top-quality top-price" education and receive the status of the Entrepreneurship University. Target number of students (in the near 10 years) should reach 5,000, about 3,000 of whom will be full-time students. On the basis of such projections we are constructing new buildings. Increase in student quantity and training space will lead to the expansion of program variety: besides the business and IT programs we intend to launch new specializations: political studies, international relations, and financial mathematics. The essential objective for the upcoming 6-7 years is to invest in our own staff development. For several years we have been preparing ourselves for the times when number of prospective students will be decreasing as a result of demography, when the schools will be more aggressively competing for students. We intend to win in this competition by offering top-quality training programs for a high price but with a guarantee of future success for graduates. We will continue to devote ourselves to the development of international cooperation and increasing the program offer for managers.

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Since the beginning of CEUME activities, HBS has hosted Study Tours and participated in other CEUME programs. We enjoy sharing our experience with our Ukrainian colleagues and we also appreciate opportunities to learn more about Ukrainian educational problems and reform efforts. Our school is strongly committed to serve not only Poland but also Central and East Europe, and other foreign students. As one of the best examples of our commitment to the region and, particularly, Ukraine, I would like to mention a joint Polish-Ukrainian Center at the Dnipropetrovsk University of Economic and Law opened by Polish and Ukrainian Presidents in June 2001. This center not only symbolizes the magnitude of our relations but also gives unique opportunities for Polish and Ukrainian students to study abroad in jointly designed programs and unprecedented credit transfer between our schools toward our degrees. As an active CEUME partner, I wish to continue this great project and to sustain American-Polish support for the Ukrainian reform movement initiated by the Consortium.