
Case-Study 2: Freie Universität Berlin

Academic Freedom, State Dependency and the Struggle for Excellence

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3.2.1. Overview

The Freie Universität Berlin is a sizeable institution hosting 34000 students in almost all academic disciplines. It paradoxically continues to have a highly decentralized academic structure, while the administrative functions are increasingly centralized. Consequently, the entrepreneurial climate is heterogeneous, instable and very much based on individual initiatives and social-networks.

The FU was founded in 1948 under the initiative of entrepreneurial students who did not accept Russian ideological paternalism at Berlin University. They henceforth created a new university which embodied the ideals of western liberalism. The FU quickly developed due to efficient bootstrapping and international support, and became one of West-Germany's key educational institutions. By the time the '1960's Student Movements' hit West-Germany the FU already showed embryotic signs of a mass university. After the unrest of this first critical experiment, the traditional bureaucratic and committee based administrative/governance system's incapacity to deal with the complexity of the institution became readily apparent. The

institutional decline that started in the nineties was hence not only caused by the regress of state funding but also by intrinsic institutional malformation.

German re-unification and the subsequent renovation costs of the last two decades, have shrunk the FU to almost half the faculty and administrative personnel it had at its climax. In that sense one can say that the FU has been in a continuous organizational crisis, managing its diminution since 1992. As such, its agenda was dominated by controlling and executing measures in the “realm of exigency” (FU chancellor and management 35). Only very recently, as the political orders are fully implemented, has the institution witnessed new competitive inspiration through the occasion of a national excellence competition held between German universities. Building on its historically inter-disciplinary structured entities, it has succeeded at producing a mid-term vision for its development as a “lighthouse of science” in Germany.

From this perspective, it becomes clear that the FU has undergone a double ‘perspective buckle’ (*Perspektivenknick (FU faculty 38)*) when looking at the development of the institutional mindset. An ironic transformation for the institution that it started as a ‘lighthouse of capitalist liberalism’ after the world war. The communal identity of what the university ‘was’ saw transformation during the 1960’s student movements, which promoted a critical leftist idea of the university, stressing the institution’s cathartic role of individual liberation and the platform from whence to level a critique of society. In recent years, the second renaissance of the FU’s organizational self-understanding has taken place. Now the FU – lead by the strengthened steering core - strives towards excellence as defined by the external environment. Interestingly, this acceptance of an external set of objectives has mobilized entrepreneurial potential that is now being deployed in order to model the internal world of the university. To summarize, we witness an internal locus of control with an external teleology.

The long and continuing period of financial hardship has resulted in an administration that is much more efficient than before, but which has also a focus on control rather than giving access to opportunities. Organizational infrastructure has been organized to maximize structure over potential. While the preceding mindset stressed freedom and autonomy, (which caused a waste of resources because of exploitation of this freedom due to the vacuum of control), today’s monetary crisis and the new institutional focus on control, has lead to an organization that does not give its stakeholders the *spielraum* to develop initiatives and truly cooperate. Furthermore, the concentration of power concentrated upon the president and the chancellor has led to cliquism and power politics.

As the university continues to struggle with the financial and political change, it begins to prepare itself to deal with the rapid change evidenced by new technologies. Internet based innovations are entering the FU through various channels but there is no institutional strategy in general nor with regards to IT fully exploit the potential. The theme of e-learning and to a

lesser degree e-research is occupied by an entrepreneurial institution (CeDiS), which has installed a very effective network of e-learning consultants within the departments. Nevertheless, the exploitation of internet based opportunities depends exclusively on the motivation of the individual faculty member.

3.2.2. History

The history of the FU can be divided in three epochs: (i) Its foundation and evolution towards one of the premier academic centres of post war Germany; (ii) the controversial years when the school became one of the centres of 68' student protests and the trajectory it took from this experience; (iii) and the recent epoch after the German reunification; an epoch of diminishing funds and continuous struggle¹. Today the end of the reduction seems to be finally in reach and a new vision is forming.

3.2.2.1. Foundation and growth

When WWII ended, there was only one sizeable university – the Berlin University - and after some internal institutional unrest, the Russians moved the university's administration into their sector. Not long after it reopened, some students opposed the explicitly communist influences and began agitating for free speech and scientific autonomy. Over the following months, the Soviets tightened their grip on their sector of the university and in 1948 three student activists were banned from re-matriculation. In the following weeks, the small interest group that had already formed around students began to intensify their lobbying for the foundation of a propaganda-free and politically-independent university in the western sectors. After weeks of fomenting, the American commander in chief officially approved such a foundation and on the 4th of December 1948² the Freie Universität (FU) was founded. In its first semester the FU accepted 2140 students (out of 5500 applicants) who were taught by 128 professors. The student body doubled in just one year (1949: 4, 946) but luckily many renowned professors returned from exile. The growth was continuously high and by 1960 a full-fledged university had emerged with 12,548 students enrolled. While Germany's post-war reconstruction (*Wirtschaftswunder*) enabled funding for most of the university, the FU would not have developed as it did without the generous donation of more than 100 million US dollars. The political situation in Berlin became more and more tense during the 1950's, escalating in the separation of West-Berlin from East-Berlin and the surrounding hinterland. For the FU, the

¹ Unless state differently the information in this section is drawn from (FU [APO archive web](#), FU [Zukunft von Anfang an](#), FU [Kleine Chronik](#)) as well as (Rabehl & Müller-Enbergs, 1988).

² Right in the very early days (Dez, 1948) the „Aussenkommission“ (Commission for the external affairs) was founded and given the mandate to engage in close contact to foreign universities, and scientific institutions in West Germany and other nations. Mr. Hartwich – one of the founding students - develops this aspect very successfully from the FU's foundation till 1989. Today the FU has extensive international contacts and organizes an international summer university to allow students from around the world to encounter Germany and Berlin for an educational stay.

result was the increased politicization of its student body. Over the following years the atmosphere on the campus became more and more radicalized, anti-traditionalist, and vanguard.

3.2.2.2. Critical Student Protest and Massification

The generation of students that began to populate the FU in the 1960's was born during the last years of the war or just after, thus they were the first generation that was not involved with mature experience of the Nazi regime. Instead, they perceived their elders as conservative and concealing of their histories. Inspired and spurred by similar movements in France and the USA, an atmosphere of critical and existentialist philosophy developed. A significant group of left-wing students engaging in political activities and applying psychoanalysis meant to (a) bring transparency and overcome Nazi remains in the German society, and (b) to reform the traditional (in their view) 'imperialist' practices regarding the exploitation of the third world, the working class and women.

In 1966 the first German student sit-in occurred at the FU; 3000 students debated for eight hours over (university) politics. The movement pursued a holistic societal critique and the formation of a counter-culture, but education is recognized as a key aspect of this process. Defining and applying the "correct" educational practices to secure such an atmosphere was a hotly debated discussion. On the positive side, critical reviews of lectures were published by students, conversely, students boycotted lectures and lashed out against professors who allegedly nurtured nazi propensities.

For this research the most relevant outcome of the student movement was the creation of the 'Critical University' on the 1st of November of 1967. Based on the critical philosophy of the Frankfurt School³, the Critical University was a student driven initiative to create scientific working groups on such themes as "Imperialism and development problems", "sexuality and dominance", or "psychosomatic medicine". The students organized more than 70 seminars over a period of two semesters (AStA [web](#)), but the 'critical-university' was not sustainable⁴, probably (at least partially) because there was no assessment and certification process to add matriculated legitimacy.

Similarly the socio-political movement slowly ebbed away after its climax in 1967, when, after the assassination of a demonstrating FU student, the multitude of splinter parties agreed to unify their demands and coordinate their activities in the APO (Outer-Parliamentarian-

³ Named after the critical method advanced by the philosophical Frankfurt school (Foremost Horkheimer and Adorno (Welsch, 1998)). The philosophers Habermas and Marcuse (1967) (the latter not directly related to the Frankfurt School but very close) have had discourses at the FU in these years.

⁴ After the institutional changes conducted in 1969 FU president Mr. Kreibich continued as advocate for a new concept of the 'team university' (Gruppenuniversitaet), which incorporated several aspects of the critical university.

Opposition.) The rebellious students then either dropped out of university or re-assimilated into the fold. By the late 1970's the FU returned to 'practice as usual'.

The other significant development during this phase was the continuous growth of the institution. Attracted by the 'happening atmosphere' and special conditions⁵, as well as the increasingly good reputation of the FU, more and more students enrolled, leading to the massification of the educational experience. Enrolment rose from twelve thousand in 1960 to 50.298 in 1983. It continued to rise until the fall of the Berlin Wall with an enormous student body of 60 000⁶ and was for a time Germany's second biggest university.

3.2.2.3. Solidarity and Recess after the German Reunification

Caused by the costs of the reconstruction of East-Germany and the East-Berlin university – now Humboldt University – in particular, the FU was ordered to reduce its student base by 10,000 in 1992, and further cut-back orders followed incessantly. In these years a very high turnover of senators responsible for education (FU, 2001, p7) increased the university leadership's understanding that they had to fight for political autonomy for their political benchmarks. In 1993, all three Berlin universities setup a joint structural planning committee to negotiate and coordinate the reductions prescribed by the local government as a result of Berlin's state bankruptcy. These structure plans largely dictated the changes to the individual departments, partially guaranteeing a certain planning reliability for the university as a whole⁷.

The aggravating monetary situation for the university led to several student protest movements⁸ but protests remained rather unproductive as few constructive solutions were proposed and the treasury was (and still is) factually empty.

After the scrutinizing the practices and contributions of each department and individual for over a decade, and having dealt with the rough diet prescribed by the politicians, the FU has successfully adapted to the new structural realities⁹.

In recent years the university has even regained some inspiration, especially through the Excellence Initiative of the German Research Foundation (see special section 3.2.10.5 in unique strange attractors)

⁵ Boys with residence in Berlin did not have to enter in the obligatory one year military service. This was particularly attractive to leftists and hence augmented this group.

⁶ Enrolment peaked shortly after the re-unification (1992) when many eastern Berlin students transferred to the FU. Following the re-unification, the FU had to take continuous cut backs and started to shrink, as outlined in the following section.

⁷ Before the political orders changed and worsened continuously.

⁸ Also the FU president authors several public letters criticizing and explaining the intricate situation of the FU.

⁹ In 2000 the FU creates, together with eight Berlin universities, a spin-off company for the marketing of e-learning (multimedia) products (web). In 2003 the FU receives the "entrepreneurial think tank" award of the business plan competition, because of the original and good performance of the participating students.

3.2.3. Setting & Typology

3.2.3.1. Members

The FU is a full-service university hosting 35.500 students of which 60 % are women, and 15% foreign students (FU [web](#)). As previously elaborated, the university had to reduce its faculty to 408 Professors, which resulted in a student-professor proportion of 87:1. The FU's administration is conducted by about 2,200 personnel. The Professors collaborate with about 1,150 professional scientists and scientific assistants, while the relation between social-sciences and the natural sciences is planned to become 2:1 (FU [Chronik](#))

3.2.3.2. Location

At its foundation, the FU obtained many buildings from the old Friedrich-Wilhelms University and from the Max-Planck-Society in Dahlem, Berlin. Today, most of the FU's 74 institutes are situated in this relatively high-class residential area of Berlin. Due to the high degree of autonomy enjoyed by the individual departments, teaching and research space was added to the institutes in the form of annexing nearby buildings (many of them villas.) Therefore the FU has a legacy of a host of non-educational buildings, which is widespread across several city districts. The architectural disconnect is of certain interest. The mansions provide very comfortable and sociable spaces at very high maintenance costs. Given the university's financial stress, it is interested in selling these luxury homes and relocating the institutions into "proper" lecture and research centres. Dahlem however, was a hub for all West-German research institutions like the Max Planck Institute etc. and they still have subsidiaries next door. In consequence there are both positive and negative attributes to this legacy of non-academic spaces being used by the FU. Architecturally, a collegiate atmosphere and interconnectivity is encouraged, and proximity to nearby foundational institutes maintains an academic linearity, but high costs and budget -shortfalls may outweigh these otherwise positive trends.

3.2.3.3. Specialization

The FU offers instruction and research on all academic disciplines, while naturally, most professors and researchers work in highly specialized sub-fields. On an institutional level, the trans-disciplinary regional centres (for North-American, Eastern-Europe and Latin-America) have greatly contributed to the FU's good international standing since its foundation, and can be understood as representing a specialization. More recently, Collaborative Research Centres have emerged as foci for the different departments. However, as can be observed by reviewing the specialization of these centres or by looking at the list of Leibniz Prize winners from the FU, one hardly finds the same discipline twice.

Branches of study and the scientific output of scientific journals that are part of the ISI science indicator.

Field	% of production
Human Medicine, Dentistry, Veterinary Medicine	13,0 %
Mathematics, Natural Sciences	18,0 %
Law, Economic, Social Sciences	27,0 %
Language, Civilization Studies	37,0 %
Other	8,0 %

Table 3.2.1 - FU ISI Indicator

3.2.3.4. Business-Model

Like most Higher Education Institutions in Germany, the FU is a public university, which is not allowed to charge student fees¹⁰ and thus receives the grand majority of its budget from public funds. Fund allocation is based on statistical rules and there is very little influence the FU has on the amount it receives for teaching. The scenario is somehow different for research, where several funding agencies (especially the EU and the DFG¹¹) are offering grants on a competitive basis. The FU administration is successfully raising awareness, training and generally foster the practice of pro-active funds acquisition by professors and scientists. Additionally a small office for patent and intellectual property rights utilization is working to spread the word and support researchers in optimizing their research findings. In some cases the FU has also acted as investor in spin-offs created by university members¹².

The electronic Administration and Services (eAS) department deserves special mention in this section; even though it does not bring in resources, it has the mandate to ensure the efficient use of the funds received through the introduction of an internet based, process-driven architecture with embedded controlling functionality.

3.2.3.5. Finance

In 2004 the FU was allocated 291 million Euros by the state and raised an additional 55 million through third parties. Over the last 15 years the FU had to manage a budget cut back of state funding at about 50% (FU Chancellor 67). This caused complications within the institution because German Employment Laws make it almost impossible to lay off staff. Therefore the accounts are being stretched on all fronts and new investments (like the new library building) have to be organized through finance deals negotiated with donors in an entrepreneurial spirit. As a result FU departments have been under constant watch by the central administration

¹⁰ Students pay a low subscription which contributes less than 15% of the budget. This condition is in the process of being changed and some counties are beginning to raise student fees.

¹¹ German Research Foundation

¹² Being a public institution it is however only legally allowed to do so in case the university can not offer this service and even more restricting the university can not use this instrument with the objective to make profit. It is as such an instrument for social or knowledge entrepreneurship.

(which needed to supervise a fair distribution of the scarce funds.) On the other hand, researchers have learned the hard way to get a hold of third party funding (FU [web](#)). The FU has repeatedly reached top positions for third party research funding.

From the administrative side, there occurred a standardization and digitization of processes as well as the introduction of a cost-benefit based resource management that encouraged more precise central controlling functions. By giving the individual departments higher autonomy regarding the distribution of budgets (budget responsibility (FU, 2001)), these trends have been assessed as a major step forward (FU management 68) towards the overall goals of university competitiveness (FU, 2001).

This performance based resource allocation model has been introduced gradually since 1992 and has evolved to distribute 40% of the funds through either indicator¹³ or negotiated performance based distribution keys.

It is difficult to assess the financial dimension of the spending on IT infrastructure because the IT functions do not have a single joint budgeting and reporting committee. The main IT infrastructure provider ZEDAT has a capacity of about 40 full time employees (FTE), plus 600 hours of student assistant jobs per month (FU [web](#)). CeDiS the centre specialized on e-learning employs the equivalent of 35 full time people¹⁴. Its entrepreneurial style is reflected by the fact that one third of the staff is financed through FU external funds.

3.2.4. IT Setting

3.2.4.1. History & Approach

Because of its decentralized governance structure, the Natural Sciences and the Computer Science department were the first to procure computers. Other departments followed suit, contingent upon need in the acquisition of computers. Thus, there was a long tradition in the FU to leave IT matters to their separate departments without a comprehensive university overseer.

Given the lack of top-down organization, it comes as little surprise, that two chemistry students pioneered the FU's connection to the internet, and in 1989 the domain fu-berlin.de was registered. However, it took until 1990 to connect the FU to the science web WiN; again, web development was left to individualistic ambitions, until 1997 when a central web-team was formed by the central IT department (ZEDAT) and the library. A new web-server and site were developed on behalf of the president.

¹³ Indicators are third party grants, publications, dissertations, habilitations, student degrees, and students (FU, 2001) p.13)

¹⁴ This figure represents the employment in May 2007. This is important as most of the positions at CeDiS are temporarily limited project based posts.

Nevertheless, even today some natural science departments prefer to run their own servers and services.

Despite the idiosyncrasies of the university, today there are basically three specialized IT institutions. The first is the 1970 (FU [web](#)) founded ZEDAT (Central IT Service Department), which is in theory¹⁵ responsible for all hardware and basic services (like email). The CeDiS (Center for Digital Systems) is, as can be seen by observing its staff and budget growth rate, a very dynamic institution specialized on e-learning and multi-media production. The library runs quite a substantial part of its services on their own IT infrastructure. The eAS (electronic Administration and Services) department has been setup recently with the mandate to introduce a higher education resource planning system. And last but not least there is the university's web-team. Also a quite recent creation, the web-team is responsible for the application of the corporate design to the website and facilitate the transfer (or creation) of web content of all administrative departments to the content management system.

In order to coordinate this swarm of specialized institutions, and to conciliate between them, a Chief Information Officer (CIO) institution has been setup. The CIO Panel as it is named, consists of the chief administrator (chancellor), one vice-rector, and one IT professional. They meet every quarter to work through and decide on issues put on the agenda by a CIO secretary¹⁶.

With regards to internet based innovation appropriation, the fragmented IT functions each have their own individual practice. The ZEDAT is responsible for the basic setup of most machines and as such prepares the ground for potential opportunities to be optimized. The library provides systems for research practices and most notably the CeDiS is scouting and introducing innovative teaching & learning, as well as research practices¹⁷.

3.2.5. Condition

3.2.5.1. Leadership

The current FU President – Prof. Dr. Lenzen - is perceived as someone who knows what he wants, as visionary and as having a good feel for the press and politicians (FU management and administration 36). Lenzen, who taught at the FU since 1978 before becoming its vice-president (1999-2003) and then president in 2003, is known as a performance oriented and

¹⁵ In practice there are a host of exceptions where institutions prefer to use their own solutions.

¹⁶ This position had not been staffed during the case study.

¹⁷ The web-team understands itself as responsible for content and thus follows the mandate to introduce an effective practice of creating and updating FU's organizational content. eAS is introducing administrative innovations which are not the focus of this research.

authoritarian leader, to the extent that some call it a presidential dictatorship (FU administration 19, in reference to: Kühne, 2006).

This is for example mirrored when observing the preparation for the Excellence Initiative. A “Special Squad” (Kühne, 2006) of confidants had been setup and is working extensive additional hours. The development is top-secret (“*Reichs-Geheimsache*” – FU management 28) and even the selected community that participates in the regular Monday breakfasts (FU management 27, Kühne, 2006), are restricted to a need to know basis. With Lenzen, the anti-authoritarian culture of debate has ceased to exist, and more traditional, ‘effective’ leadership has become the norm.

The president has a rather strategic and political focus, representing and lobbying for the university. Internally, the chief administrator (Chancellor) is the highest authority in charge of daily business. Both men are perceived as authoritarian leaders of change in their realms (FU multiple 23) and even though the institution has a bureaucratic committee architecture, they have – based on their extensive experience within the system - established effective ways to pursue their respective agendas. The relationship between the two has been described as good, pragmatic and utilitarian (FU Chancellor 24, FU management 25). The Chancellor himself described the collaboration as complementary; the president sets the vision and the chancellor implements the course and conducts the daily fire fighting (FU Chancellor 37).

While traditionally the Praesidium (the central administration close to the President) was a typical public administration institution, in recent years there is a more competitive and dynamic atmosphere. This has been attributed to the fact that the leadership of the FU has become more pro-active in lobbying and managing for greater efficiency. Even though the trickle down effects are slow in this environment, glacially- but surely, the winds of change are reaching all parts of the administration (FU administration 32).

3.2.5.2. Governance

In Germany, public universities have a ‘normalized’¹⁸ governance structure with an Academic Senate and a Council as central bodies and departmental boards with sovereignty in regards to academic matters as well as rather extensive autonomy in most practical matters.

Nevertheless, the FU has had a bustling and controversial governance history. As elaborated in the history section, the FU was created as an explicitly autonomous (free) university and because of the important role students played in its creation, they also had a decisive role in its governance structure from its very birth. For a relatively long period from 1969 till 1978, the

¹⁸ In fact legally defined through HEI law (Hochschulgesetz).

faculty even lost the absolute majority in the main committees (FU [web](#)). This change is part of the first significant institutional reform¹⁹ which took place in the 'revolutionary' phase in 1969.

In 1998 the FU opted – after debate in the academic's senate and through a decision in the council - to participate in a trial regulation program that is intended "to test new models of leadership, organization and financing, with the goal of simplifying the decision making efficiency, especially with regards to the acquisition of self-generated incomes" (BerIHG, 2003, § 7a).

The new governance structure gave clearer framed responsibilities to the vice-presidents and most notably eliminated the council, which was formerly the highest board, with its key functions being overtaken by an extended academic senate. Additionally the board of trustees witnessed a new personnel composition; now comprised of the senator for education, five independent eminent personalities, as well as four members of the FU, one from each stakeholder group²⁰. The new structure is meant to detach the board of trustees from daily business and cause it to engage in fundamental questions of strategy (FU, 2001, p. 12). Next, from this institutional change several committees have ceased to exist and responsibilities have been transferred to the presidency with the goal of enhancing the universities capacity to act (*Handlungsfähigkeit*). The new model is still legally a trial, but has been positively assessed by an external expert group and is transferred more and more into official regulatory/law.

Accordingly, the leading political and practical role played by the students during the FU's foundation was to organise themselves even before the official foundation and pass their statutes with their own autonomous voice. The statute provides for the institutionalization of students politics in the student convent (today student parliament) and the general student committee (AStA) as executive branch. Even though political interest and participation from students has slowed in recent years, there is still a rather well functioning and fertile practice ground for student self-representation at the FU.

3.2.5.3. Culture

Polycentric

Since its formation from an initiative organized by some student activists and professors from various disciplines, the FU has always granted substantial autonomy to its academic departments. Today, the FU consists out 71 academic institutions, which deal with matters from languages to engineering. Although there is considerable institutionalized overlap in the

¹⁹ Also the administrative staff becomes more influence, and the election of the president and the administration of the departments is reorganized.

²⁰ Students, professors, scientists, and other staff.

case of the regional centres, etc. the problems which arose in veterinary education and mathematics seemed to be so different that the academics did not readily ask for the pooling of services. Nor was such collusion perceived as necessary as West-Germany was going through a phase of unprecedented economic growth (*Wirtschaftswunder*) and so resources were readily available. As described in the section about its location, the polycentricism of the FU is also visible through the dispersed housing arrangements²¹.

Open Minded

Born out of the reaction to the intolerant and legalistic practices introduced by the Unter den Linden University, the FU has from its inception been a place for free- thinking and internationally focused interests. The latter has been manifested in the regional studies institutions, which naturally gave the FU direct academic links to universities and peers in these regions. The FU-Berlin European Studies (FU-Best) program is a good example of how the FU is prepared to cater to international students.

Open mindedness became one, if not the most apparent characteristic during the alternative cultural movement, known as 68. FU was one of the centres of student protest and Habermas²² and especially Marcuse (1967) presented his conceptualization of a “Critical University” – meant to educate students for participation in politics and society – in a speech held in the FU. The open mindedness is of course also related to the wide array of disciplines that have to co-exist and collaborate in the FU.

Manic-depressive

Caused by more than fifteen years of constant budget and personnel cuts, many of the employees have entered into a manic-depressive mood (FU chancellor 33). Older faculty and administrators are especially sceptical of the many organizational changes, and are rather passively complying with what they are asked to do. Some of the interviewees have assessed this group to be as large as one third of FU staff (FU management multiple 39). This negative state is fostered by the leaderships mandated approach of “participation, but no co-determination” (FU Chancellor 42) when it comes to strategic decision- making.

Laissez Faire

Despite the grumbling pessimists, it has to be documented that the university gives its employees relatively high levels of freedom. Within any hierarchical organization, there are always individual knowledge entrepreneurs, who are motivated to find and realize opportunities,

²¹ It is important to underline that because of the polycentric culture, all observations about the FU's cumulative condition can only be understood as snapshot descriptions of the ‘singular instances’ that were recorded during the field-work. Nevertheless the author believes that, given the researchers embeddedness in the practice and culture, a realistic snapshot of the overall climate is portrayed.

²² Jürgen Habermas: "Rede über die politische Rolle der Studentenschaft in der Bundesrepublik",

and produce very good results for example in the area of internet based innovations (e-learning: Dr. Apostolopoulos, spin-offs: Prof. Schiller, and research: Prof. Perchelt)

3.2.5.4. Organizational Learning

There is currently no university wide management or organizational learning program with the goal of codifying knowledge and competencies as they are implemented at the FU. As in the LSE, most organizational learning happens between befriended or otherwise connected colleagues and within the personal websites of the professors (and administrative staff) that are available. Access to an in house 'yellow pages' does serve as a key resource to locating in-house knowledge. Also similar to the LSE but less developed, is a press contact service that facilitates contact between FU professors and the media.

Individual departments have naturally developed communities of peers inside and outside the FU.

3.2.6. Knowledge Entrepreneurship

3.2.6.1. Environmental Awareness

Most FU stakeholders interviewed were quoted to be using conferences and other professional gatherings as their main tool for identifying trends and engaging in 'casual benchmarking' with their colleagues and peer institutions.

While the administrative stakeholders showed a relatively high interest and awareness of their university's position (FU chancellor and management 47) - mostly motivated by the Excellence Initiative (see below) –, the faculty (FU multiple faculty 48) naturally was much less challenged by institutional comparisons and excellence. Stressing instead the pursuit of their own academic interests and awareness of scientific developments.

Regarding internet based innovations, a typical diffusion scheme, as described by Rogers (1983), can be observed. Depending on personal preferences, administrative staff and other faculty learn about innovations and appropriate them as per necessary for their personal use or sphere of responsibility.

3.2.6.2. Entrepreneurship (Strategy & Vision)

For this token an exceptionally homogeneous perception is to be reported. Both administration and faculty expressed a forward looking and stratifying view – mostly caused by the frenzy of the Excellence Initiative (see below). It was felt that after many years of cut-backs, that finally

the recession was over, and that it was acceptable to openly envision positive future developments²³.

With regards to internet based innovations, the specialized institutions within the FU each follow their individual agendas. While all of them have expert knowledge about innovations in their respective fields, it is the CeDiS who most actively identifies, assesses, and acts upon trends. The library and eAS follow the strategy of influencing the development of the software suite by participating in the client community of practice (lobbying for their interests there.) ZEDAT on the other hand, has the most structured and standardized business planning processes.

3.2.6.3. New Project Support

The FU has operated for the last 15 years in a state of constant budgetary emergency. In this condition – the realm of exigency (FU chancellor and management 62) – there was no room for experiments that entailed a financial risk. Individual faculty can experiment and set their teaching and research agenda with academic freedom, but institutional support is nothing they should expect (FU faculty 33). Instead, they are expected to find the money elsewhere and (at least overall) they are not doing badly at funding their own research (see figure 3.2.1)

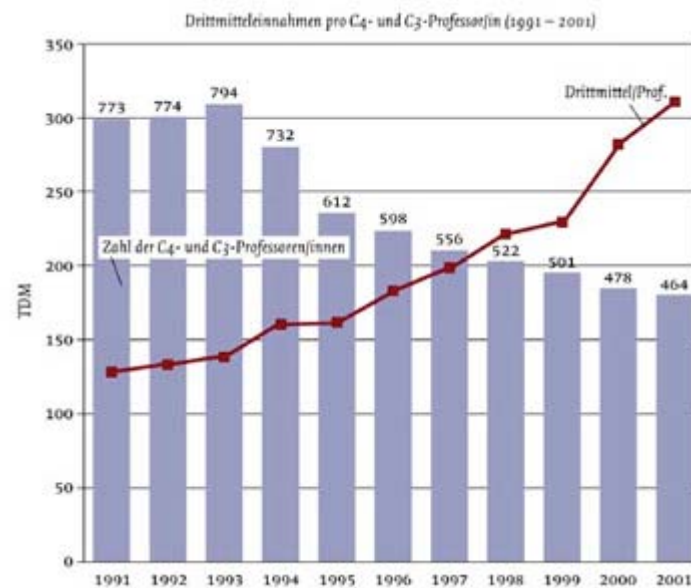


Figure 3.2.1 - Third party financing by professors

Generally all initiatives with a monetary or administrative aspect have to be lobbied for (providing a business case like argument) with the decision resting ultimately upon the Chancellor.

²³ Most professors interviewed, and especially the computer science faculty, did not really connect their vision to the FU's future in general, but rather expressed a motivation and entrepreneuring based on their research.

With the (natural) exception of the Computer Science Department, the central services are rather hygienic (sealed tightly) when it comes to the experimentation of users with new IT services²⁴.

3.2.6.4. Risk Tolerance

Again, the FU did not- and does not- have resources for experimentation. Thus change happened in a very improvised and bricolaged evolution. In contrast, in the spring of 2006 – as the preparations for the Excellence Initiative were in full swing – stakeholders reported that they had to now reconstruct the ship on the open sea (FU administration 41.) Under such shaky terms, the institution was very risk aware (FU management and administration 46) as it was the widely understood that the FU would either be selected amongst the elite universities or that it would have to endure yet another painful shrinking phase (FU administration 55).

In the IT sector very little risk is assumed as there are enough basic (widely tested) services on the to-do-list (ZEDAT). The internal financial budget is still tight, as are exclusive innovations without a financial dimension (library, web-team) or third party funded projects (CeDiS).

3.2.6.5. Communication

Communication and public relations in particular have been expressed to be an open flank of the FU²⁵ (FU administration 56). Insiders praise the direct access to colleagues (FU chancellor, multiple management, and administration 61), and have expressed a preference for spoken agreements, but communication is based on personal and social networks. There is no developed culture of transparency for publishing planning or results (there is virtually no central intranet). One rational explanation is that informal practices and agreements are far more effective than to follow through with the official and laborious bureaucratic machinery (FU chancellor 65).

The individualistic (knowledge entrepreneurial) tendency of faculty was most markedly expressed by Philosophy Prof. Wolf, who stated, when asked about departmental collaboration: “*Every philosopher is his world*” (FU faculty 66).

²⁴ The firewall is set to block all unknown services and it is generally difficult for the users to install and run software that is not authenticated by the ZEDAT or other relevant in-house responsible.

²⁵ The FU has a particularly difficult stand with regards to the implementation of the Bologna process because of the traditionally well developed left wing student association structures, which oppose the ‘streamlining’ of programs. Another cause of offence is the discourse about the introduction of student fees, which has resulted in long student protests up to the occupation of the main administrative building.

3.2.7. Internet Use

3.2.7.1. e-learning

Tools Integration (Technology)

In line with the FU's decentralist traditions, individual departments started to experiment with e-learning on their own. In 1990 the FU started to publish the central lectures catalogue online, and allowed for linking of the online course materials on individual websites. To various degrees, faculty made use of the internet and published and maintained their own websites depending on personal interest.

The scenario began to change in 1994 when an entrepreneurial employee (Dr. Apostolopoulos) began to develop the e-learning services of the economics department. He assessed e-learning to be a growth sector and one which might provide splendid opportunities. In the late nineties the e-learning team was transferred to the central administration which became the institutional predecessor of the CeDiS. In 2002 CeDiS became the official e-learning and multi-media competence centre.

After a normal procurement procedure²⁶, the FU has opted to invest in the e-learning suite of the market leader and the solution is being spread across most departments. To introduce the new opportunities, CeDiS has made the strategic choice (and has secured the funding) to embed 'e-learning consultants' directly in the departments. These consultants have the assignment to raise awareness, find appropriate applications for faculty to benefit from the platform (and CeDiS services in general) and work as facilitator of content production (FU administration 58). This approach is reported to be very successful, especially because the consultants are able to develop close relationships with their clients and are not perceived as 'change enforcers' but rather as helpers to explain and facilitate new practices.

With impulses of the e-learning consultants, who spur and support faculty ambitions, 199 e-learning projects²⁷ (see Figure) emerged under the auspice of CeDiS (FU [web](#)).

In accordance with the entrepreneurial spirit spear headed by CeDiS' director, many e-learning projects have either partial or complete external funding²⁸ (FU administration 50, FU [web](#)). For the purpose of developing competence and fostering the application of e-learning the FU has setup a special steering committee which decides on and finances the individual projects.

²⁶ The official version is an objective evaluation and bidding process (FU 69), while the un-official version tells that leadership had set clear preferences and the results were accordingly (FU 70).

²⁷ The following data regarding the CeDiS is from May 2007

²⁸ Mostly as part of one considerable big grant from the German Education and Research Ministry (FUeL) to foster e-learning at the FU.

From 2003 to 2006 more than 1,8 Million Euro have been invested and for the year 2007 to 2009/2010 a yearly budget of 420'000 Euro has been allocated. The e-learning steering committee is also responsible for FU's overall strategy.

These practices are thoroughly embedded in an understanding of the CeDiS as service department (pricing all output) rather than an academic institution. The authoritative lead-entrepreneur business style of CeDiS does repel academics from the computer science department, who generally report being un-integrated in university IT decisions (FU faculty 53).

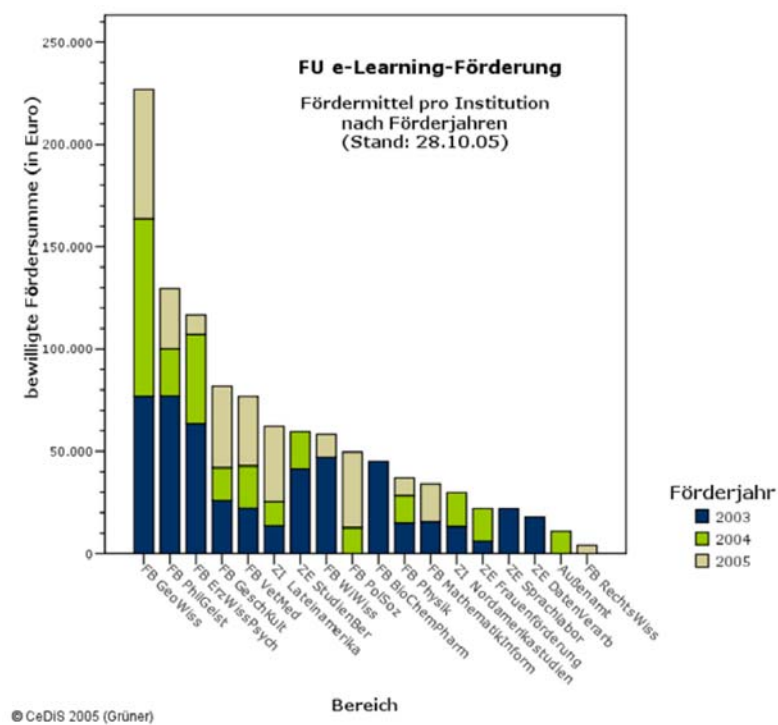


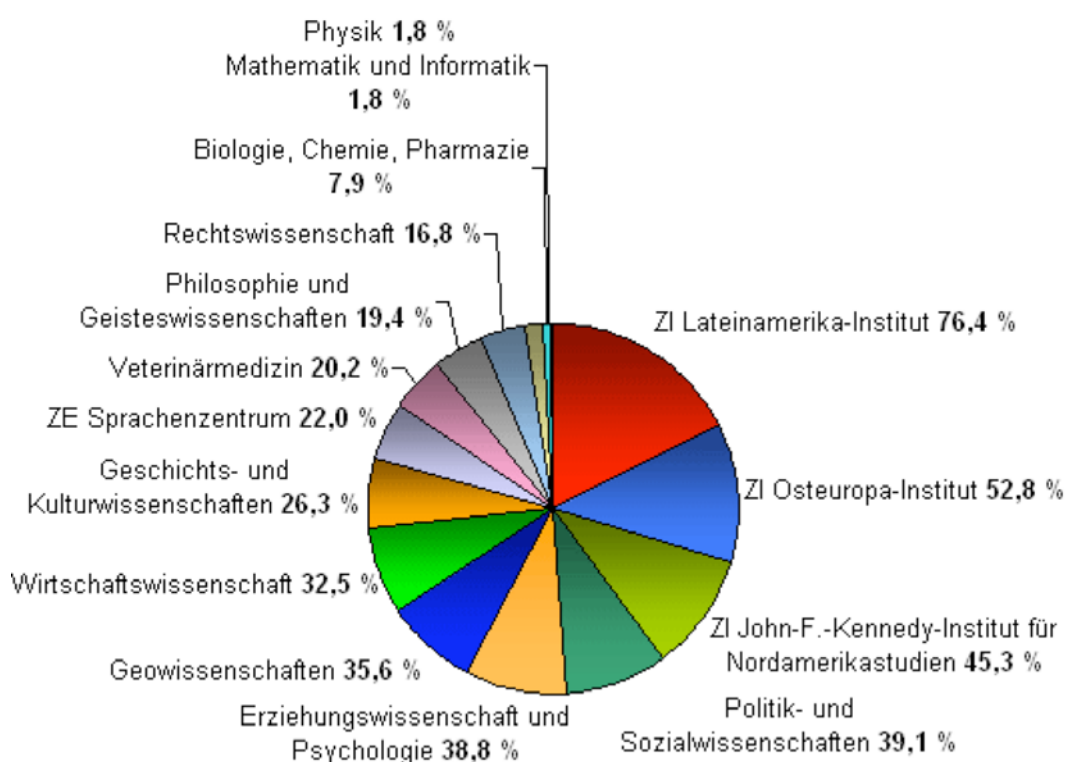
Figure 3.2.2 - FU e-learning Funding

Current Practices (Use Cases)

There is a special e-learning programme setup for FU freshmen, which consists of a selection of info-material about the administrative and communal services, about the process and procedures during the careers, as well as some tutorials for the FU's e-learning platform and its functionalities. The "Working Group Market" (WGM) deserves special mention, because it provides an internet based knowledge opportunity to FU students. The WGM is an easy to use bulletin board, where students can post and search for peers who are studying the same subjects and are interested in creating a learning community. Usage is assessed to be only medium, but has potential to increase with the growing utilization of e-learning.

In the 'normal' educational practice some courses (especially in the new master programs) have up to 35% of the learning and assessment done through the e-learning suite (FU administration 44).

Biased-expectations regarding discipline characteristic usage patterns have not been fulfilled (See Figure 2). Very interesting is the very high percentage of social science courses (especially the Regional Institutes) using the e-learning platform. This result suggests that the natural sciences (except geography) like the computer sciences are still running independent solutions.



© 2007 CeDiS

Figure 3.1.3 - % of all FU courses using the e-learning platform ([web](#))

While all disciplines report to use the internet as an indispensable tool, philosophers in particular feel a revolution in basic email communication. They are also encouraged by the subsequent possibilities to tele-collaborate on a text and by thusly making their own works widely available (FU faculty 29.) Economics professors are making more extended use of the possibilities to structure courses, to provide reading lists and in some cases to have tests (FU faculty 30); and as described above, the computer sciences had already experimented with e-learning and have decided not to use the central platform. Instead, as within IT the study of hard- and software is their principal learning and research interest, the IT department

experiment with various tailor-made solutions, many times on an individual basis (FU faculty 31).

From the many projects CeDiS implements in addition to the general e-learning platform the “Statistic Laboratory” (SL) is also mentioned, because it provides a highly successful innovative knowledge assessment practice. The SL is one of the first initiatives (1995) CeDiS got engaged in and was developed in a succession of several projects. It aims at developing a holistic e-learning software for statistics education and now a functioning suite has been provided including the provision for a computer based final exam (FU [web](#)).

3.2.7.2. e-research

Tools Integration (Technology)

There is, besides the library's online database services, an individually founded central institution to promote and develop a specialized e-research service, but the theme has generally not hit a chord within the university. As is typical in appropriation of an innovation, it starts with individual knowledge entrepreneurship. One example is the work of at an individual employee at the CeDiS, who has developed extensive expertise in the area of qualitative social science research methodology, and has developed a number of highly networked (online) discourse communities²⁹. She has also identified and realizes the institutional e-publishing and Open Access initiative. Today the field of e-publishing and Open Access, which has the mandate also to ‘give online support to research teams’ (FU [web](#)) is worked on by four CeDiS employees. The group is promoting internal spread of digital institutional publishing solutions on the one hand but also has a well networked approach aggregating relevance and impact of the repositories by cooperating with other national and international actors. For the future institutionalized and defined support services for FU researchers in the area of virtual research community management and e-publishing are planned. Interesting is also the typical CeDiS ‘support service’ approach to offer to ‘support all kinds of projects in this area’, thereby also ensuring at least partial ownership.

The team leader who had developed these activities mostly autonomous, and by building alliances, has now been integrated in CeDiS’ institutional structure. She reports to have achieved extended leverage but notes having had to struggle to find her place in CeDiS streamlined hierarchic team structure.

Another example is the Argunet project (www.argunet.org) an online platform for logical and visual reconstruction of complex philosophical debates and argumentations. A hybrid between pioneer e-learning and e-research, Argunet is a collaboration of several FU philosophers (one of them with a computer science background) and occurs, (as most initiatives of this kind) under the e-learning support program of the CeDiS.

²⁹ Mailing lists and an Open Access journal on qualitative research methodology.

Current Practices (Use Cases)

Individual academics are using online services according to their personal preference and diffusion is assumed to follow the exposure to change agents (such as the e-learning consultants).

In the computer sciences one extensive use case of wikis has been found. One professor, who had an academic curiosity for IT based collaboration systems, had introduced the wiki technology in his individual sphere. The IT professors have cultivated a very collegial atmosphere (FU multiple faculty) and the professor became known as the in-house resource on the subject, reporting on the condition and progress of the wiki usage on an informal basis. He reports that wikis have been integrated in the department's portfolio wherever their (well understood) functionality is beneficiary (FU faculty 49).

3.2.7.3. Website & Intranet

Tools Integration (Technology)

In 1998 the content and design underwent a complete overhaul managed by the then newly created web-team (FU, 2001). Recently, a content management system has been acquired and a new corporate design was produced by CeDiS' Media + Design team in close collaboration with the Praesidium. The first step was to put a replication of the existing content into the system.

One interesting feature, a chat for student consultations and counselling, has been added recently. The chat is perceived quite positively and adds to the highly functioning hotline and email counselling (Dowe, 2001).

Current Practices (Use Cases)

The new content management system is being introduced gradually with the central services being dealt with first. It is planned to then progress entity by entity from the decentralized services to the various academic departments. No written strategy or process architecture has been identified for the content side for which the press department is responsible. CeDiS is responsible for the technical as well as the procedural introduction and hosting of the system, as well as for all internal trainings. As for e-learning a high level steering committee has been formed and decides on the CMS strategy and project funding.

Overall leadership regarding the integration of services and a holistic strategy for an online portal are missing due to the mostly non-expert CIO committee, which additionally suffers under the time and attention constraints of its constituents.

Once again, all IT related institutions (eAS, CeDiS, ZEDAT, the web-team and the library) are hedging their interests, with CeDiS and eAS as the dynamic and entrepreneuring shapers and ZEDAT and the library as the historic stakeholders carrying on a complex legacy of functions and personal structure³⁰.

3.2.7.4. User Perception of IT Services

According to critical students (FU [student web-blog](#)) the FU is pushing many IT innovations. The administrative resource management especially is seen as a means to create processes/practices where the IT system has total control of the practices rather than the professors. Conversely, these are initiatives that are valued by the students. One comment on a user survey conducted by CeDiS before engaging in the development of a social networking platform is telling of the ambivalent if sometimes positive nature of these developments: *“...within some years these web-based platforms will be compulsive for any modern university and it makes me kind of proud that mine is already starting it.”*(Praus, 2006)

User perception of the academic IT services is as varied as the offerings of the departments. In the German HEI rankings 2006 undertaken by CHE (2006), the FU finds itself in the middle group regarding student perception of PC provision and e-learning (authors calculations based on CHE dataset).

3.2.8. FU Position (Institutional Results)

Economic Autonomy

Compared to other HEI in the German education system the FU has managed to acquire one of the highest external funding of €55 Mio, which is 15,8 % of the overall budget. Per professorship, this sum seems to be fluctuating around 100,000 Euro per year (FU [web](#)). Such possibilities for individual entrepreneurial initiatives result in a degree of financial autonomy from the state, and are politically craved, having already been implemented in co-operations with BMW, Schering, Siemens, Deutsche Telekom and Pfizer (FU [web](#)), although ultimately, they are the exception.

Website

After the relaunch of the website in 2000, the FU began to receive many positive reviews (FU, 2001, p. 94; (Lederbogen & Trebbe, 2001)) and even reached the first place in a comparison of the websites of all 17 Berlin based higher education institutions (Dowe, 2001) In the International University Website Ranking the FU reaches the first place for German universities and the 82nd internationally, also the 4icu³¹ platform ranking of website popularity placed it third.

³⁰The web-team's mandate is understood to be solely non-technical content management.

³¹ As of 15.Feb.2007, the

On the site, contact information is available on a relatively general level for administrative services and almost all Professors do have a personal website.

3.2.8.1. Teaching and Learning

In general a positive trend for the FU can be observed looking at the assessment conducted by CHE (2006). However, in the sampling for this research the Economics and Business education departments received rather mediocre to negative reviews as did the History and Psychology departments. Oddly, the results for the Pharmacy and Chemistry depts. were surprisingly unfavourable. In the sampling undertaken, only the Computer Sciences have managed to rise in the evaluation in three out of the five indicators. It is now part of the top bracket (of leading universities) for: the study situation (elaborate what study situation means?), the student care/consultation, and for IT infrastructure. It holds a middle position regarding reputation with professors and research funding.

The FU's endeavours in regards to e-learning have been recognized with an overall approval by students, who rate the offering with 2,4 (on a 1 to 6 scale³²).

3.2.8.2. Research Results

As would be expected the FU's researchers are publishing in as much as 14 different categories³³, and have published a sum of more than 16 000 papers. More than 97% of the publications are coming from the non social sciences, with 22% coming out of clinical medicine, 14% in chemistry, and 8% in biology. Overall FU papers have a respectable 11,62 citations per paper³⁴. In the global list of ISI listed institutions the FU reaches the 173 place. On a national level it was rated 9th best research institution (out of 46). Even though that is not as good as in the last ranking, it was able to participate in 14 of the 17 examined disciplines and was assessed to have a strong research capacity in 6 of those. In chemistry research the FU is one of the finest in Germany and it performed best in the securing of external funding among all German universities. FU's potential is also underlined through its top ranking for dissertations per professor (CHE and FU [web](#)).

The FU's relatively good standing in regards to research is also reflected in the 12th place ranking that analyzed the choice of 4,713 top-flight researchers, who spent time at German universities between 1998 and 2002 (vHumboldt, 2003).

³² Authors calculations based on CHE 2006 dataset of sampled departments in the last years.

³³ Of the ISI Essential Science Indicators

³⁴ These ISI figures have to be understood to be a very "science biased" indicators for the simple differences that exist in the different disciplines. (E.g. in humanities academics are more likely to publish monographs.)

3.2.9. Rival Explanations

3.2.9.1. National Context

Germany, which is Europe's biggest economy, is experiencing a very low-growth economic development at around 1%. This, combined with the increased costs for pensions and the transfers to rebuild the East-German counties, has caused a general trend for de-constructing the once famous welfare state, including the state funding for universities. Germany's politicians have embarked on the controversial quest to introduce university student fees, and in general- politicians are quite determined to lower costs and de-bureaucratize the continuously inflating civil servant apparatus.

The German Research Foundation's (DFG) "Excellence Initiative" most definitely elicited a striking influence on the FU's self-assessment and the spirit within the university (see below). This national initiative is the first of its kind and can be seen as an act of political entrepreneurship from the ministry of education, which intends to play more decisive role in the allocation of funds³⁵.

Overall, when seen against the national context, FU is evaluated as being too bureaucratic and inflexible and thus is seen as unfavourable. The FU is a good example of an institution of the German educational system, which is assessed (by FU President Lenzen) to have undergone a process of bureaucratization and overregulation resulting in excessive governmental intervention and legal obligations (Lenzen, 2003).

3.2.9.2. Local & Regional Context

Berlin is - due to the immense costs of renovating the eastern part, coupled with scandalous mismanagement - one of the poorest German cities. On the other hand it has – due to its history – enormous space in the eastern parts of the city (and its surroundings). This keeps rents down (just 75-287 €/month³⁶) and results in the fact that living costs are among the cheapest in Germany. As in London, Berlin hosts the national government and most ministries, which does not have a strong influence on the FU because of its more generalist profile³⁷. Also German media is much less centralized when compared to London, following instead the federalist polycentric setting. Despite its problems, Berlin, having revitalized its position in the realms of power and economics, exhibits a very vibrant and magnetic atmosphere- thus attracting entrepreneurial personalities.

³⁵ Traditionally education has always been a sector, which was very much in the hands of the counties.

³⁶ Including extras - [DAAD](#) – almost 50% live in individual private flats.

³⁷ In fact Berlin's role as a western outpost did have a much greater influence on the development of the political sciences department at the FU, which became one of the biggest and most important ones in Germany.

When considering Berlin's influence on the FU's condition, its formative influence cannot be overstated, (as has been pointed out in the history as well as in the section on the Humboldt University as a unique strange attractor (below)).

3.2.10. Unique Strange Attractors

The culture of academic freedom and polycentricism makes the university a breeding ground for "unique strange attractors" (see Chapter 1 Annex A for definition). Therefore, unique instances are described within the relevant section and factors influencing the general condition/climate of the FU are listed herein.

3.2.10.1. Tutoring Communities

A unique educational practice in Germany the Tutorial Model was initiated and successfully piloted at the FU³⁸ in 1951. Following the critical stance towards system politics, the students at the FU were eager to ensure autonomy from propaganda and the authoritarian 'scientific control apparatus' (Adorno, 1964), hence they developed and proposed a community based tutoring practice in which senior students coached the younger ones. The original goal was not exclusively the transfusion of specialized knowledge but encouraged instead competencies like active learning, collaboration, as well as the "fomentation of independent, critical thinking through scientific work" (Büchner, Hansmann, Lecher, & Stumpögger, 1986). The membership to the Tutorial Groups was limited to 10 and the idea was to foster communities that stayed together throughout their studies. As such, the model was meant to supersede the traditional German fraternities, which had participated with the nationalistic agitation. The tutor model was officially formulated in 1962 by the student association and then ratified by the scientific council in 1969.

According to Büchner et. al. (ibid) the tutor model was an educational and institutional success and has subsequently been adopted by other universities in West-Germany. However, nowhere did the tutors manage to install themselves so well as in the FU, where they setup a special workers council for themselves. This report is disputed by reviews of the FU AStA ([web](#)) which cites hostile lobbying by traditionalists, who launched public media campaigns against the tutorials, so that the model could never really flower. Whatever the exact conditions, with the rapid growth of the FU³⁹ in the sixties, the innovative pedagogy of the tutorials were increasingly absorbed by the massification of university education. Since the 1970 tutorials became "the most effective and cheapest way to guarantee education for all" (ibid)

³⁸ The initiative for the interests of student workers mentions that the idea was facilitated by the American administrators involved in the foundation of the FU (Tarifini, 2006).

³⁹ And the universities in general

3.2.10.2. Heinzelmännchen

The FU facilitates the financial independence of its students through the Heinzelmännchen institution since 1949. Heinzelmännchen is a student job broker, matching local enterprises and private households' demands for short term jobs to students. With fluctuation, the Heinzelmännchen provide jobs for between 20% of the students in the early years, to up to 50% after the construction of the Berlin wall and back to 40% and less in the last years. While the job market in Berlin has become tougher after the reunification there are still 15,000 jobs for students procured (2002) and for many of the students, these jobs are their only source of income (FU [web](#)).

The success of the Heinzelmännchen is a good illustration of the 'status' or the 'way of life' of German university students. Most students earn money in part time jobs, and most live in their own, or shared flat (especially in Berlin). This allows the students to learn to 'stand on their own two feet' and subsequently develop an internal locus of control.

3.2.10.3. Crisis as Catharsis

The FU has been in an organizational recession caused by the regression of the German state in general and the local Berlin government in particular. Next to the general trend of de-constructing the welfare state, Berlin felt particular financial hardship by the reunification of the divided city. As universities situated in the former west suffered additional financial challenges as the universities of the former east and (especially Humboldt University) needed immense funds for renovation whilst providing little beyond duplicative educational capacities. What is worse, Berlin was thrown into a full-blown budgetary crisis when misspending (speculation) and embezzlement emptied the city's treasury and caused high instability. The restless political fluctuations caused the fourfold replacement of the senator for Culture and Education in the years between 1998 – 2001 (FU, 2001). Hence it is assessed that the FU was in a constant state of crisis since the early 1990's This crisis caused a manic-depression amongst a large part of its staff, but it was also expedient and used productively by deflating the bureaucratic apparatus (through the new governance structure) and boosting efficiency e.g. through the reallocation of mansion based mini-departments in more cost-effective offices. Furthermore, the crisis made the FU attend to its institutional *raison d'être* in depth and put them ahead of other institutions in dealing with the shrinking of their funding base. FU faculty was already accustomed to a reality without much state support and the leadership is (at least recently) pushing hard to put an (neo⁴⁰-) liberal educational vision in action (Lenzen, 2003). It is the very crisis that serves the FU as a catharsis (Ciborra, 2002), clearing the organizational culture of the tendency to 'do things because they have always been that way' and give preference to entrepreneurs who come with new visions.

⁴⁰ In the view of the students (Andy, 2005)

Another good example for entrepreneurial practices born out of 'poverty' is the Society for the Promotion of the German philology library (FU FBG [web](#)). Following the announcement of heavy financial cutbacks for the library's budget, two entrepreneurial students founded FBG (in 1996), which sells second hand books received as donations (and engages in lobbying through author readings etc.), with the objective to improve the conditions at the library.

3.2.10.4. Generational Change

Because of the high growth in its early decades, the FU has a distorted age structure in its faculty. In the years between 2000 and 2005⁴¹ 50% of the professorships are to be replaced. This has and will bring new energy into the ranks of ambitious academics to the university and the expectation for positive effects are palpable.(FU chancellor and management 51.) Transition takes time ,and new professors are usually granted 3 years to settle in the new environment before they have their routine and start to generate income.

3.2.10.5. Excellence Initiative

In mid 2005 the German federal states agreed to launch an initiative to promote top level research with a special funding program distributing 1,9 billion Euros amongst a selected elite of research universities. Universities have to compete on the three lines of funding (overall university strategy, research clusters, and graduate schools) and the winners will receive extra funding over a period of 5 years.

This initiative has awakened a new hope at the FU (read: "finally there is a light at the end of the tunnel"), while on the other hand it has put the university's leadership under pressure. Stakeholders perceive the Excellence Initiative as a last chance: "*when we win we finally have the chance to become an elite university, or we will slowly but surely perish*" (FU administration 26). Whatever the outcome, at the time of the interviews, most representatives of the administration were quite enthusiastic about the opportunities and hence entrepreneurial and strategizing about the possibilities.

At the first round of the initiative, the FU was made a winner of extra funding for one Graduate School of North American Studies and shares one Graduate School in Mathematics with the two other Berlin universities. Nevertheless, the initiative is perceived as beneficial to the whole university by the President (FU [web](#))

3.2.10.6. Prof. Faltin

Prof. Faltin is professor for entrepreneurship in the department of educational science and psychology for more than two decades He has developed a unique approach to venture

⁴¹ The process is actually still in full swing

creation, which focuses on the development and refinement of an innovative business model. In a truly entrepreneurial fashion, he has created two innovative and successful enterprises and one foundation, continuously pursuing his personal passion - the practical and theoretic exploration of the entrepreneurship paradigm. Prof. Faltin has developed his approach in several publications (Faltin, 1998, , 1999, , 2001) and is facilitating a business model creation in his regular lectures, the Entrepreneurship Laboratory. Since 2006 he also collaborates with the FU entrepreneurship team in the provision of an incubation office space for new ventures in the Faltin Villa.

Prof. Faltin's approach is specifically relevant for this research because, even though it focuses on economic entrepreneurship (enterprise creation), its methodology is based on the intellectual practice of refining an idea/opportunity to the point where it is the blueprint of a viable and sustainable venture. As such, it can be applied to all entrepreneurial projects no matter what the lead ambition is. In essence innovative entrepreneurship is about unshackling the potential of the individual to follow his/her personal interest, and to develop a unique idea to the point that it can realistically be implemented. Hence Prof. Faltin's facilitation practices and institutions are briefly reviewed in the following paragraphs.

In his regular lectures, he first aims at enabling the students to see the creative and non-economic/business aspect of entrepreneurship, and then subsequently introduces them to the methodologies on how to design a blueprint for a venture.

The Entrepreneurship Laboratory (EL) are evening workshop-sessions comprised of two components: On the one hand, Prof. Faltin interviews thematically relevant guests, who report about their work and how it can be useful for entrepreneurship and business model design; on the other hand, the ELs are meant to give nascent entrepreneurs a platform to present, discuss and refine their business models with Prof. Faltin and his community of practice⁴². The ELs take place in the premises of one of Prof. Faltin's companies and usually have a duration of about three to four hours with possibilities for networking during a middle break and again after the event. Since 2006 the sessions have been streamed live onto the internet and most interviews are available as edited and annotated video on demand through Prof. Faltin's web portal www.entrepreneurship.de

During the field work of this research another institution with the mandate to foster entrepreneurship at the FU has been created – the Faltin Villa. In close collaboration the FU's

⁴² Over the years a community of people has emerged around Prof. Faltin's approach, and the participants of the EL are mostly out of this group. The attendants are comprised of many local 'regulars' (around 50%), selective semi-regulars (who come when the agenda and date suits them, around 30%), and guests, who either don't live in Berlin or who come out of curiosity. All either have a professional or personal interest in entrepreneurship and in Prof. Faltin's approach in particular.

entrepreneurship team⁴³ and Prof. Faltin have setup a new venture incubation space in one of Dahlem's typical residential mansions. The house provides space for about eight offices and two larger multifunctional meeting- or "living-rooms." Nascent entrepreneurs can use the offices and ICT infrastructure free of cost once their business design has been approved by Prof. Faltin.

In conclusion, Prof. Faltin has dedicated his professional life to the promotion of entrepreneurship and has influenced hundreds of FU students to live out their entrepreneurial potential.

3.2.10.7. FU Entrepreneurship Fomentation Team

The FU has chosen to institutionalize the promotion of an entrepreneurial spirit in its faculty and students in the department (IV. team A) in charge of the facilitation of the exploitation of intellectual property and business creation (from hereon the entrepreneurship team). This unit existed for many years as a one-staff institution, but has recently taken off since the end of 2005 when substantial funding was acquired from a structural EU fund. Today about 13 people are working on several initiatives meant to foster (primarily but not exclusively) economic entrepreneurship at the FU. The team has developed and implemented very practice oriented (action learning) courses, and most of them can be classified as knowledge entrepreneurship from the perspective of the FU entrepreneurship team⁴⁴. One of them is run by Prof. Faltin and has students develop an innovative business model. Another has students design and run a mini-business on campus for several weeks. Additionally the team has created a web-portal offering learning and networking opportunities related to entrepreneurship. Last but not least several experts have been hired, who function as scouts scanning the FU's research efforts for opportunities for economic exploitability. These scouts do follow an economic entrepreneurship ambition, but they generate the funds that enable the institutional knowledge creation and transfusion mandate. Agreeing with Clark's (1998) observations, the employment of these specialists makes sense as they perform a non-academic support function and allow the academics to focus on knowledge entrepreneurship.

Allow me also to recount a case of innovative political entrepreneurship facilitated by the FU entrepreneurship team. The case of the creation of the communication channel www.direktzurkanzlerin.de is another instance that verifies the practical overlap of the various entrepreneurial ambitions and its paramount theme of creative destruction. "Direkt zur Kanzlerin" (Direct to the Chancellor) is a website that was setup to allow citizens to have a direct dialogue with Germany's highest political institution, whereby individuals post their questions in a forum. Every day, the website users vote on the relevance of the questions and

⁴³ Which institutionally manages and provides the space.

⁴⁴ As they have never been implemented at the FU, barely elsewhere.

the chancellor's office issues a reply to the three questions that were voted most relevant. This innovative political communication channel has been developed by a small group of student entrepreneurs, who now make use of the publicity and reputation they have built up through their political entrepreneurship to pursue several other entrepreneurial projects. In tune with their humanistic understanding of business practices the founding team has managed to gather a cadre of co-entrepreneurs around them who collaborate (for the moment) without financial remuneration, solely motivated by their ambition to realize themselves in a creative and striving environment. Thereby the founders have managed to create a very effective and 'family-like' team (FU students 21).

The founding core team of this 'entrepreneurial clan' has been attracted and supported by the FU's entrepreneurship team⁴⁵, proving that it is attentive to opportunities to realize opportunities.

Overall the FU provides medium conditions for economic entrepreneurial development. According to a ranking that is conducted by Schmude and Uebelacker (2005) the FU reaches the 27th place amongst German universities (2003: 20th).

3.2.11. Analysis and conclusion

The most dominant aspect of the current environment at the FU is the lack of funds⁴⁶. It is a typical example of state regress (economically caused political liberalism) from educational responsibilities. The result is more effective and more context-aware stakeholders, less than optimal facilities, a streamlined education and more business oriented research.

The FU has yet to fully exploit the possibilities from the closeness of most of the first-class German research science institutions like Max Planck or the Federal Institute for Materials Research and Testing. A program "MBA's meet Innovation" is in the planning stages, but there is still no central strategic activity⁴⁷ to foster FU's stakes.

The complementary leadership duo at the FU's top, is effective and determined, but authoritarian. While many in the administration report 'short paths' (meaning direct access to

⁴⁵ Which provides office space and political flanking.

⁴⁶ The economic condition of the FU is quite grave and student fees are presented as the only solution. However it seems to be overlooked that it is mainly the natural sciences, which need grand funding for their laboratories and experiments. Niklas Luhman – the famous German sociologist - is well known never to have solicited any funding (FU faculty 52). All he needed for his outstanding research was the library and discourse with colleagues and students. This might be an extreme case, but it is surely true that the high costs are mostly produced by the natural sciences. Thus it might be prudent to think about separate conditions for financing social- and natural-sciences.

⁴⁷ The individual institutions have more or less developed links to the specialized research centres.

decision makers) there is a practice of behind the door diplomacy and deal making that spurs power politics and cliquism; even in best-case scenarios these practices exclude the non-members from opportunities and decisions (FU 22).

The new 1998 governance structure supports the efficiency of the processes at the cost of the traditional (tedious) discourse and consensual decision making. The efficiency of informal coordination is augmented by moves to follow the official procedure in order to satisfy political guidelines only to ask external consultants to produce 'favourable reports' (FU management 45), while striving towards the intended result "un-bureaucratically". These practices led to the de facto creation of a parallel informal structure used to achieve results.

The FU has emerged out of extraordinary historical conditions, which even today makes it a unique institution in regards to the scientific and cultural experience it provides. Even though most of the 'critical' experiments initiated during the 1960's have not been sustained, there is still a high degree of self-determination necessary to reach the degree sought after⁴⁸. What is more, doing research is a matter of motivation and bootstrapping as monetary feasibility depends mostly on self-initiative, marketing and deal making.

Culturally the legacy of the leftist student movement is still recognizable but the new generation is noticeably less idealistic and political than their predecessors. Nevertheless, the FU provides a suitable atmosphere for young adults to learn to stand on their own two feet (e.g. through the Heintelmaenchen), and generally offers a vast variety of opportunities for students to assess and realize their ambitions⁴⁹. As such, the observations of Levesque et. al. (2004), that German university students have a significantly higher level of autonomy than other European or American peers (also FU student 54), are assessed to be generally on the spot for the FU.

The Excellence Initiative has succeeded at energizing HEI leadership and at an instilling entrepreneurial spirit, but the effect might be short-term as there is an 'either we make it or we are out of business' mindset that is implicitly roaming in many universities. In contrast to the British and the Catalan system, Germany has setup a "one time competition", while in the other two countries there is a constant bidding for state resource allocation.

Probably the single-most decisive deficit at the FU is an inclusive, transparent and systematic strategy process. Until now the university has only engaged in due diligence regarding its bureaucratic reporting obligations,⁵⁰ and has only now, for the first time developed a vision for

⁴⁸ Arguably this 'uniqueness' is at danger as the Bologna process homogenizes the educational architectures across Europe.

⁴⁹ including the opportunity to learn about entrepreneurship

⁵⁰ Even though no report could be found for the period after 2001.

the future. However, this vision was developed by a selected few and communication was (due to the competitive setting) on a secret service mentality (i.e. “everybody knows only what s/her has to know”). A holistic entrepreneurial strategy would engage the stakeholders, and ideally create a shared vision.

3.2.11.1. Internet based innovation appropriation

With regards to the appropriation of internet based innovations the FU represents a good example of the positive and negative effects of poly-centric structures. On the one hand, individual entities are free to pursue their interests and develop the technology and practices they deem most adequate. On the other hand, one observes redundancy and non-compatibility instead of synergies and economies of scale because of the entropic state of IT governance.

Especially with regards to entrepreneurship, the polycentric IT structure seems to allow for little synergies and congruence. The CIO is a committee institution with relatively little IT competence and lacks strong thematic leadership; it thus misses its mandate to coordinate interests and prohibit the territorial fights through a stringent holistic IT vision and strategy.

The CeDiS is clearly the most dynamic and entrepreneurial exploiter of the current situation. CeDiS embodies ‘new public management’ and positions itself as a ‘service agency’ (FU administration 57). Run by a leader with entrepreneurial motivation, CeDiS was founded because the opportunity had been identified and assessed positively. From its very beginning, CeDiS was market-oriented by: scanning the ‘e’ education and research field for relevant innovations (through general meetings, and thematic working groups), requiring business cases for new project start, and most decisively, by encouraging wide spread stakeholder ownership by providing opportunities – facilitated by the e-learning consultants and the in-house funding- for faculty to look for needs that can be satisfied with IT. The CeDiS model is assessed to be successful in identifying, evaluating, and spreading opportunities for internet based knowledge entrepreneurship at the FU.

ZEDAT is on its way to more effective management practices but has a tough time ahead due to the continued scarcity of funds, and even the sheer size and heterogeneity of the mandate make it very complex to navigate. The web-team presents itself more as a classical public administration department and does not seem to be aware of the opportunities in its field. The library does well as a traditional knowledge depository entity but has not fully embraced the fluid multi-disciplinarity of modern information sciences.

On the other hand, the eAS initiative holds the promise of revolutionizing FU’s administration processes – the same way Enterprise Resource Planning (ERP) systems have revolutionized

private enterprises - by introducing one-coherent-process architecture⁵¹. Even though eAS is not involved in knowledge entrepreneurship, their project is relevant, because they provide the standardized process structure that (theoretically) allows for 'state of the art' efficiency in administration (structure) and thereby allows more space for real academic processes (FU chancellor 60).

The clear separation of IT mandates – infrastructure, process, and knowledge - as suggested by one of the key stakeholders (FU management 59), is assessed to have potential for improving the situation at the FU.

As for the LSE, the provision of an open FU wide intranet seems to provide a very interesting opportunity to energize social networking, make practices more dynamic and transparent, allow for organisational learning through knowledge sharing regarding environmental scanning and assessment, and ultimately to cultivating a more entrepreneurial atmosphere. A step in this direction has been initiated by CeDiS planning for the social networking platform.

⁵¹ This is not the place to consider the pros and cons of a monolithic ERP system, but allow me to raise that on the one hand there is great potential for conflict as this centrally controlled instrument goes against the freedom of the departments to decide on their practices, on the other hand it bears great promises for efficiency and transparency, and it has no influence on the teleology/ontology and academic freedom (the knowledge mandate) of faculty. As such the eAS might bring a solid bureaucratic structure that enables intellectual freedom.

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