

BOSNIA-HERZEGOVINA

A partnership for prosperity

The country's first part-time MBA course is being backed by US aid and University of Delaware know-how, writes Hal Weitzman

Anel Becirovic did not finish his economics degree at the university in his home town of Mostar. In April 1992, during the second year of his studies, Bosnia and Herzegovina erupted in bloody inter-ethnic conflict.

His family left the city and he and his sister went to the US, where he restarted his studies at the City University of New York, graduating in 2000.

Today Mr Becirovic, 33, will once again begin a degree in his native country, joining 28 other students on Bosnia's first part-time MBA programme at the newly formed Sarajevo Graduate School of Business, a joint project by the University of Delaware and the University of Sarajevo, with funding from the US Agency for International Development.

The inspiration for the business school came from the agency, says Michael Ginzburg, dean of the University of Delaware's Alfred Lerner College of Business. USAID's economic development directorate in Bosnia felt it was critical to fill a management training gap in the country, he says. The agency has dedicated \$10m to the programme.

"The Bosnian and Herzegovinian system of higher education continues along the lines of the old Yugoslav system," says Howard Sumka, USAID's mission director in Bosnia.

"As a result, local universities are not producing graduates with the necessary skills to succeed in a competitive, globally integrated market economy."

Prof Ginzburg says the Delaware college won the contract to be a partner in the Sarajevo Graduate School of Business because of its experience in running

executive programmes in eastern European countries such as Bulgaria, Estonia and Kosovo.

"We were also willing to send our faculty there to be directly involved in classroom teaching," he says.

Three Lerner faculty members have been posted to Sarajevo to help kick off the scheme and they have been joined by three Bosnian professors. The University of Delaware plans to send between 10 and 12 faculty to Sarajevo over the first two years of the programme and up to 20 over the four years of Lerner's involvement.

'As well as teaching managers, we're also training a cadre of faculty to teach, so that the school will be self-sustaining'

Prof Ginzburg also hopes SGSB will hire up to 12 faculty from the former Yugoslavia by the time Lerner's stint there is finished.

"As well as teaching managers, we're also training a cadre of faculty to teach, the idea being that after Lerner's four-year involvement with the project comes to an end, the school will be self-sustaining," he says.

The new business school's dean is Milos Trifkovic who, until this summer, was head of the economics department at the University of Sarajevo. He says he is impressed by the calibre of students in this year's intake, and stresses they have all been accepted according to University of Delaware criteria.

Ann Wolfer, MBA pro-

gramme co-ordinator at Lerner, says the strength of the applicant pool surprised her. "We came in hoping to get 10 or 15 qualified students at best and thought we might have to bend the rules for the rest, but we got 29 excellent applicants."

Ms Wolfer was also struck by the diversity of the applicants. "All three main ethnic groups from Bosnia are represented. There's also a good proportion of women and five international students."

The students come from professional backgrounds, manufacturing, banking and non-governmental organisations. Many work for large state-owned or formerly state-owned companies.

The two-year programme is accredited by the AACSB. Classes will be held during the evenings and weekends, allowing students to continue working.

The school itself is based on the University of Sarajevo's campus and participants will be joint graduates of Sarajevo and Delaware.

Prof Ginzburg says he hopes the graduates, who he estimates will number between 90 and 100 by the end of Lerner's involvement, will go on to build organisations that will create a robust economy in their country.

Prof Ginzburg says the US school expects to get a lot in return. "We hope to learn about what is going on in south-eastern Europe. We also hope that our faculty will establish ties and research projects there. And we expect they'll bring interesting ideas back to the classroom."

He says the challenge of collaborating on a long-distance programme "will also force us to use technology more. We already have courses where the stu-



Happy returns: after leaving Bosnia during the conflict, Anel Becirovic has returned to take his MBA

dents use CD-Roms but now we will have to support our new partners 5,000 miles away."

The experience of those involved in setting up SGSB suggests that demand for MBA programmes in emerging economies such as Bosnia is strong. All students are receiving partial scholarships, but no one is paying less than 35 per cent of the \$23,000 (\$24,000) fee.

Ms Wolfer says: "Plenty of people said we wouldn't get any students if we didn't give out places for free."

"Everyone has to pay something," says Prof Ginzburg. "If we pay 100 per cent of the fees, we fear the students will treat it [the degree] as a free good. Also, we want to get the compa-

nies in the region to recognise the benefit of sending their employees on the course, to get them to help fund it."

For companies, the programme holds out the prospect of improving conditions in what remains a difficult country to do business. Bosnia is effectively divided into two entities: the Muslim-Croat federation and the ethnic Republika Srpska - each with its own bureaucracy. Companies based in one entity often meet a hostile reaction from the other and enterprises frequently complain about bureaucratic inefficiency and corruption.

Prof Trifkovic expects that the programme will ultimately help improve the situation. "This is intended to

be a regional institution, not just a local one," he says.

He points out that the programme's funds come from the economic section of USAID, rather than its educational department, indicating the US government's view that the scheme will directly boost Bosnia's economic development.

Mr Becirovic suggests SGSB's impact may be even greater. "People are still afraid to think freely here and they are stuck in an old mindset."

"But the people attending this school can broaden their views and will not be afraid to encourage their staff to think freely and express their ideas. That should help breathe some fresh air into the economic process here."