



EUA-Institutional Evaluation Programme

FACULTY FOR BUSINESS MANAGEMENT

EVALUATION REPORT

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Table of contents

1. Introduction	3
2. Governance and institutional decision-making.....	10
3. Teaching and learning.....	15
4. Research.....	19
5. Service to society.....	21
6. Quality culture.....	22
7. Internationalisation	24
8. Conclusions	25

1. Introduction

This report is the result of the evaluation of the Faculty for Business Management (FBM) in Bar, Montenegro. The evaluation took place in the framework of the project “Higher Education and Research for Innovation and Competitiveness” (HERIC), implemented by the government of Montenegro with the overall objective to strengthen the quality and relevance of higher education and research in Montenegro.

While the institutional evaluations are taking place in the context of the project, each institution is assessed by an independent IEP team, using the IEP methodology described below. FBM is one of ten higher education institutions in Montenegro which were evaluated by IEP in the framework of the above project.

1.1 The Institutional Evaluation Programme

The Institutional Evaluation Programme (IEP) is an independent membership service of the European University Association (EUA) that offers evaluations to support the participating institutions in the continuing development of their strategic management and internal quality culture. The IEP is a full member of the European Association for Quality Assurance in Higher Education (ENQA) and is listed in the European Quality Assurance Register for Higher Education (EQAR).

The distinctive features of the Institutional Evaluation Programme are the following:

- A strong emphasis on the self-evaluation phase
- A European and international perspective
- A peer-review approach
- A support to improvement.

The focus of the IEP is the institution as a whole and not the individual study programmes or units. It focuses upon:

- decision-making processes and institutional structures and effectiveness of strategic management; and
- relevance of internal quality processes and the degree to which their outcomes are used in decision-making and strategic management as well as perceived gaps in these internal mechanisms.

The evaluation is guided by four key questions, which are based on a “fitness for (and of) purpose” approach:

- What is the institution trying to do?
- How is the institution trying to do it?
- How does the institution know it works?

- How does the institution change in order to improve?

In the case of the institutions in Montenegro, their evaluation by IEP has to address additionally the following four special issues:

- Implementation of the three-cycle system of the Bologna Process
- The academic staff - students ratio
- Quality and organisational framework of doctoral studies
- The application of gained knowledge through practical work.

1.2 The profile of the Faculty for Business Management

Apart from the public University of Montenegro in Podgorica there are 12 private universities and independent faculties in Montenegro. The Faculty for Business Management (Fakultet za Poslovni Menadžment) situated in Bar is one of these private independent faculties. It was established on 21 March 2005 as an independent private institution of higher education which acquired legal entity by registration in the Central Register of the Commercial Court in Podgorica. The faculty started working in the academic year 2005-2006, i.e. one year before separation of Montenegro from Serbia. It was founded by the current dean and the first dean of the faculty until his death in 2006 when the current dean took office. The shares of the second founder have passed to his wife and his daughter which means there are currently three owners of FBM. FBM is located in a building owned by one of the founders/co-owners of the faculty in Bar.

To the team's knowledge, besides FBM there are two other faculties in Bar which offer similar study programmes, namely the Faculty of Business Economics (FBE) which was founded in 2012 and the Faculty of Tourism "Montenegro Tourism School" which, according to its website, has operated as an independent private institution since 2004 in Bar and currently operates as a branch of the Mediterranean University. All three institutions are private.

In 2005 the following four undergraduate study programmes were accredited at FBM:

- Financial Transaction Management
- Customs, Shipping and Insurance Management
- Business Informatics Management
- Business-Civil Security Management

In 2006 the following two undergraduate study programmes were additionally accredited:

- Business and Legal English
- Business Psychology

Finally, in 2009 only the following four undergraduate study programmes were re-accredited:

- Financial Transaction Management
- Customs, Shipping and Insurance Management

- Business-Civil Security Management
- Business Psychology

In 2009 the following three postgraduate programmes for Specialist studies (see below) with the corresponding sub-specialties were accredited:

- Financial Transaction Management
Sub-specialities:
 - Small and Medium Enterprises
 - Banking
 - Control and Audit
- Customs, Shipping and Insurance Management
Sub-specialities:
 - Customs
 - Shipping
 - Insurance
- Business-Civil Security Management
Sub-specialities:
 - Business-Civil Security Management

Currently, the sub-specialities “Control and Audit” and “Customs” do not operate as there is no student demand.

The above four undergraduate and three postgraduate study programmes were re-accredited in 2014 for the period up to the academic year 2018-2019.

Higher education in Montenegro is structured as a three-cycle system, including Bachelor studies (180 ECTS), Master studies (120 ECTS) and Doctoral studies. After one additional year, the graduate of any Bachelor study programme may be awarded a Specialist diploma amounting to 60 ECTS credits. The Specialist study programmes are considered as the first stage of postgraduate studies, while the Master programmes are considered as the second stage. Furthermore, the study programmes can be divided into two streams, “academic” and “applied”. Only academic study programmes can lead to Doctoral studies, while applied study programmes can lead only up to the level of applied Master. However, the large majority of study programmes in Montenegro, for both first cycle and second cycle, have been accredited as “academic”. This is apparently the case also for the study programmes of FBM.

The evaluation team was informed that FBM is discussing the idea of post-graduate Specialist studies accreditation also for the study programme “Business Psychology”, either in connection with a Master programme in the same subject or not.

A continuous decrease in the number of students of FBM can be observed since the academic year 2009-2010. The total number of students in undergraduate (Bachelor) programmes has

fallen from 1 277 in 2009-2010 to 638 in 2012-2013 (decrease by 50% in four years), while the number of students in postgraduate (Specialist) programmes during the same period has fallen from 112 in 2009-2010 to 84 in 2012-2013 (decrease by 25%). The fall in the number of first year students (new enrolled students) in Bachelor programmes is even higher; from 365 in 2009-2010 to 120 in 2012-2013 (decrease by 67% in four years) and to 104 in 2013-2014 (decrease by 72% in five years).

The evaluation team was not able to form a clear view on the data regarding the staff of FBM, since the data available is contradictory. Additionally, the English translation of the various titles is also contradictory in many cases. For that reason, the titles and the organisation are given in both languages in this report (English and Montenegrin). The only related information in the SER was that there are 14 full-time and 26 part-time members of teaching staff in FBM and six members of administrative staff. In between the two site visits the evaluation team received from the liaison person a list with 39 members of teaching staff distributed by ranks and tasks as follows:

• Professors (Redovni Profesori).....	13
• Associate Professors (Vanredni Profesori).....	9
• Assistant Professors (Docenti).....	8
• Teaching associates (Saradnici u nastavi).....	7
• Professional staff (Stručno osoblje).....	2
Total.....	39

This data is more or less consistent with the information in the SER but without any distinction between full-time and part-time staff.

Furthermore, from the comparison of the above data with the data appearing in the website of the faculty for the previous academic year, it appeared that only 19 persons out of the 39 were named in both lists, which means that FBM replaced more than half of its teaching staff in an academic year.

The analysis of the data given to the evaluation team for the teaching staff of FBM and their engagement in the study programme led to another significant finding. Taking into account only the 30 members of teaching staff listed in the ranks of professors, associate professors and assistant professors, it appears that only one associate professor and two assistant professors are working full-time in FBM. The other 27 professors are employed on a part-time basis, working in parallel in one, two or even three other higher education institutions in Montenegro and/or in Serbia.

1.3 The evaluation process

The self-evaluation process

The self-evaluation process at FBM was undertaken by the same team (self-evaluation group) which was responsible for the re-accreditation of the study programmes in 2013 and which consequently made use of knowledge and material from the recent re-accreditation procedure. Dragan Vojvodić, M.Sc., secretary of FBM, was elected as chairperson. The self-evaluation group prepared a self-evaluation report (SER), which was made available to the evaluation team on 6 March 2014, less than three weeks before the first site visit. The SER did not provide any further information on the composition of the self-evaluation group, while the evaluation team met only three members of the self-evaluation group during the site visits (namely the above mentioned chair, the Vice-Dean, Doc. dr Dijana Medenica-Mitrović, who also acted as liaison person of FBM with the evaluation team, and Jelena Prelević, M.Sc., head of the student service).

The SER consists of 24 pages. It is informative, but more descriptive than analytical. It provides a good description of the institution and also includes a SWOT analysis which acknowledges strengths and weaknesses which could provide a basis for further strategic planning. The evaluation team considers the SER as not being homogeneous and consistent, and more or less the same issues are repeated with not all redundancies eliminated. It should also be noted here that the SER did not include any Annexes. Moreover, some important data such as details on the owners, the total annual budget and its development during the last years, the total staff numbers calculated in full-time equivalent positions or the number of students in the different programmes was not provided. Significant information was missing, such as the current dean being one of the founders/owners of the institution and that the liaison person is the vice-dean of the faculty. Some of this data (information on budget and full-time equivalent teaching staff) were requested after the first visit but were not provided to the evaluation team. Instead, a list of all the courses and names of the respective professors were given to the evaluation team so as to make the calculations themselves. Instead of the requested organisational chart of the faculty, a document was provided with details of the various management bodies. Another problem was that the English version of the SER was not always consistent with documents provided in the Montenegrin language. The same subjects were translated differently in different documents.

Finally, any discussion on expectations and possibilities for the future of FBM was missing in the SER. In the eyes of the evaluation team the institution has missed the opportunity to use this evaluation process as a starting point for a comprehensive discussion of its present state and of its future. The evaluation team's view is that the SER could have been more self-critical, clearly projecting the achievements of FBM, but also discussing the challenges that face the institution.

The two site visits

The two site visits of the evaluation team to FBM took place from 23-25 March 2014 and from 4-6 May 2014. During the two visits, the evaluation team had the opportunity to discuss the situation of FBM with some of its actors and stakeholders, namely:

- members of the teaching staff;
- students of undergraduate programmes;
- members of the administrative staff; and
- some stakeholders / external partners.

There were also meetings with the Dean of FBM, Professor Milenko Radoman, who is also one of the three owners of FBM, and with members of the self-evaluation group.

Unfortunately some of the planned meetings during both visits did not take place for different reasons. For example, the team did not have the opportunity to meet any of the collective management bodies of the faculty (Managing Board, Faculty Council), nor students of the postgraduate (Specialist) programmes or of the Students' Parliament. For the evaluation team it is important to note that, apart from the dean and the vice-dean, they met only four out of the 39 members of the FBM teaching staff during two meetings with teaching staff (one during each site-visit) and six undergraduate students. This situation, combined with the previously mentioned weaknesses of the SER, has given the evaluation team the impression that either the IEP procedure was misunderstood by the institution or else it has not been taken seriously.

The evaluation team nevertheless thanks the Dean of FBM, Professor Milenko Radoman, and the Vice-Dean Doc. dr Dijana Medenica-Mitrović, who acted as the liaison person, and the Secretary of the Faculty, Dragan Vojvodić, M.Sc. who also assisted the evaluation team during the site visits for their hospitality.

The evaluation report

The present evaluation report is harmonised with the aims of IEP as outlined above, considering also the four special issues that have to be addressed additionally in the evaluations of Montenegro. The analysis of the four special issues is presented in the respective sections of the report. In this respect, the report focuses on the current strengths and weaknesses of FBM regarding its capacity for change in view of the specific characteristics of the institution, but also of the surrounding opportunities and threats; it puts forward a number of recommendations that may be taken into account for the future development of the institution.

The evaluation report takes into account all the data provided to the evaluation team in the SER and corresponding additional information. Furthermore, it should be taken into account that the overall analysis, comments and recommendations are based on two intense but rather short site visits to the institution. The recommendations, together with the corresponding reasoning and analysis, appear in italics in the text of the evaluation report, while a summary of the recommendations is also presented in the last section of the report. Finally, it should be noted that throughout the body of the report many ideas expressed by the evaluation team should not be considered as firm recommendations but more as reflections which FBM may wish to consider.

1.4 The evaluation team

The evaluation team (hereinafter named “the team”) consisted of the following members:

- Winfried Müller, former Rector, University of Klagenfurt, Austria, as team chair.
- Thierry Chevaillier, former Vice-Rector, University of Burgundy, Dijon, France.
- Emilia Todorova, Master student, University of Glasgow, United Kingdom.
- Dionyssi Kladis, professor emeritus, University of the Peloponnese, Greece, former Secretary for Higher Education in Greece, as team coordinator.

2. Governance and institutional decision-making

2.1 Philosophy of FBM: Norms and values / Vision - mission – strategy

As it is written in the SER (unfortunately, there is no page numbering):

The Faculty has not got the development strategy yet while the strategic focus is being provided through planned activities of all organizational units, the Faculty Council and Managing Board, which bring decisions in accordance with the Statute and other general acts, on the basis of the initiatives of the organizational units or the managing faculty staff.

This means that FBM has not elaborated any strategic plan but its strategy is developed in a “plan as you go” approach or, as is stated in the SER, according to the motto “form follows action”, i.e. following the day-to-day decisions and activities of the management bodies and of the organisational units. Nevertheless, even in the absence of a strategic plan, the SER states the following mission for FBM:

The Mission of the Faculty is to educate students in the area of social, legal-economic, financial-marketing, managerial and other areas applying international teaching and learning standards which make it possible to enter other faculties and universities, application and knowledge transfer.

Since the team was not provided with the Statutes of FBM, they had to search for important statements contained in the SER. In this respect, from other parts of the SER the team has come to the conclusion that the vision of FBM is reflected in its commitment to become an acknowledged and recognised higher education institution in Montenegro attracting students from all parts of the country and also from the countries of the region. Nevertheless, a strategic choice that has been taken by FBM is for “efficient education of not very large flow or scope”. As explained in the SER, this choice is justified from internal constraints (regarding space, facilities and human resources) and from external constraints (primarily the limited market size in Montenegro).

In this regard, FBM is oriented to keep its existing educational offer at the level of the undergraduate academic studies (Bachelor) and postgraduate academic studies (Specialist) and to improve both of these. As explained by the dean, it is not considered realistic to apply for a Master programme, since there will not be the demand from potential students. According to the dean, those who want to continue on with Master studies would prefer to do so in Serbia. For the same reasons (lack of demand), it is not considered realistic to develop lifelong learning programmes as well. The team considers it quite reasonable for a private higher education institution to avoid any possible financial risk which could be caused by new educational activities.

In many of the meetings in FBM the team heard complaints concerning unfair competition. The allegations were against the government and other higher education institutions in the

country. The team was not able to cross-check the validity of the arguments for these allegations. However, it is clear for the team that FBM has competitors in the higher education environment of Montenegro, both at national level (because of the rather large number of universities and independent faculties offering studies in the areas of business, management and economics) and at local level (since in Bar there are already two other faculties in the private sector which offer studies in the same fields). Competition in an open higher education market such as the one in Montenegro is to be expected. It is questionable for the team how a private institution which operates according to the rules of the free market raises concerns about competition issues against both the public sector and other similar institutions of the private sector. The environment in which such an institution operates is in itself competitive; and competition under free market conditions is not expected to be always fair. From the other point of view, however, the team could not ascertain whether there is any kind of cooperation between the three private faculties operating in the region of Bar. In light of this, *the team would recommend that FBM develops a policy for cooperation with all faculties in the region and further strengthening its links with local and regional society including all external partners.*

Finally, the team considers it necessary for FBM to take initiatives in order to overcome the existing strategic deficit as described earlier in the present section of the report. In this regard, *the team recommends that FBM starts strategic and operational planning so as to address current and future challenges, and therefore initiating an open discussion on its future which would involve the founders, staff, students and stakeholders. The result of this process should be a strategic plan for the coming years with clear goals that can be reached within the existing constraints.*

As mentioned above, the development of a strategy aims to address current and future challenges. The challenges will be identified by the faculty which will also search for ways to meet those challenges. The team would like to point out two of these challenges which, in its view, the FBM has to meet effectively and successfully.

The first challenge is concerned with the problematic financial situation. The main financial resources of FBM come from tuition fees and other student charges. This makes the institution very vulnerable against decreasing student numbers. As outlined earlier in the report in the profile of FBM (section 1.2), the total number of students has fallen by 50% for the Bachelor programmes and by 25% for the Specialist programmes between 2009-2010 and 2012-2013. The situation is even worse looking at the data for newly enrolled students every year with a decrease of 72% between 2009-2010 and 2013-2014. This continuous fall in the number of students is a real threat for FBM. This means that one of its most crucial strategic objectives should be to increase, diversify and make sustainable its own income and opening new sources by developing activities which will increase the income produced by its teaching activities. In this regard, *the team would recommend that FBM should enhance its capacity for consultancies and applied projects addressed to partners from business, economy, public entities, etc.*

A second challenge is linked to the weak identification of students and teaching staff at FBM. Consequently, this also results in a weak identification of research-output with FBM. The impression of the team was that the attitude of the majority of teaching staff is that they do not feel they belong primarily to FBM. A similar impression also is true of the students. *The team believes and recommends that FBM should strengthen the corporate identity of the faculty and motivate teaching staff and students to identify with FBM. Simple initiatives, such as the provision of a common e-mail address to identify all students and professors as members of the community of FBM would help in that direction.*

2.2 Governance and decision-making

According to the Law on Higher Education of Montenegro, the governance structure of private institutions is regulated by their Statutes. The team was not provided with the Statutes of FBM, but its governance structure is described in the SER.

The faculty is run by the Managing Board together with the Assembly of Founders (Owners). The Managing Board is the collective governing body of FBM, responsible for its overall functioning and operational management; it is equivalent to the governing board of the universities (“governing body” according to the Law on Higher Education). The Managing Board has nine members, which include representatives from all the structures in the faculty (teaching staff, administrative staff, founders and students). Six out of these nine members are nominated by the Assembly of Founders (Owners), one member is elected by the Faculty Council (see below), one member is the students’ representative and the ninth member is ex-officio the dean who is elected by the Managing Board and who also acts as the chair.

The Assembly of Founders (Owners) consists of three members (one representative from each of the current owners) with a voting power proportional to the percentage of participation in the founder capital of FBM. In the team’s understanding the Assembly of Founders (Owners) aims to safeguard the overall interests of the founders (owners) within the operation of the faculty. In this respect, it nominates the majority of the members of the Managing Board and makes proposals to the Managing Board on issues of major importance such as the faculty’s Statutes, the distribution of the profits, the increase or decrease of the faculty’s capital, etc.

The dean is the head and the management body of the faculty, equivalent to the rector of the universities (“managing body” according to the Law on Higher Education). In his everyday operation the dean is helped by an operational team, the Dean Collegium, which consists of the vice-dean, the director, the secretary and the head of the student service of the faculty. Currently, the positions of the director and the secretary are occupied by the same person, Dragan Vojvodić, M.Sc. It was explained to the team that the tasks of the director are related to management issues, while the tasks of the secretary are related to legal issues. As the team was informed, if decisions of general interest are to be made (e.g. decisions concerning everyone at the faculty), they are discussed in the enlarged Dean Collegium with the participation of study programme executives and other persons.

Finally, the academic policy is created and run by the Faculty Council which is the highest academic body, equivalent to the Senate of the universities (“professional body” according to the Law on Higher Education). The Council counts 37 members: 21 representatives of professors, associate professors and assistant professors (including the dean who chairs the Council), 9 representatives of teaching associates, 4 representatives of professional teaching staff and 3 student representatives. The Council works in sessions held once a month or when necessary, except in August, when the faculty is on collective vacation.

The evaluation team did not have the opportunity to meet any of the above-mentioned governance bodies of FBM, with the exception of the dean and members of the (small) Dean Collegium. The reason is that the faculty founders (owners) and the majority of the members of the Managing Board do not live in Montenegro. However, this is also the case for the dean of the faculty, who is also professor of law at a university in Serbia. The majority of the teaching staff of FBM is nearly all also working for one or more other institutions in Montenegro and abroad (mainly in Serbia). Under these circumstances it would be meaningless to request a meeting with the Faculty Council comprising 34 members of the teaching staff. Therefore, the team was obliged to discuss all issues concerning governance and decision-making only with the dean, the vice-dean/liaison person and the secretary/director. The team had the impression that the governing bodies of FBM have evidently found a way to enable necessary decisions to be made in good time. For example, efficiency is helped by the fact that the dean chairs both governing bodies (Managing Board and Faculty Council), being at the same time one of the founders/owners. But in order to respond adequately to the actual challenges *the team recommends to the leadership of FBM to re-think some of its current structure and practices. The size of the Faculty Council (37 members) seems to be quite large for a small institution. This is of even greater consequence since a substantial part of the teaching staff works only part-time at FBM and/or are also engaged with other universities in Montenegro and elsewhere.*

A last observation to be mentioned relates to the weak participation of students in the decision-making bodies. The team understands the specificity of a private institution where students are considered primarily as customers or as consumers. The team is not sure whether students share this view. However, even if they may be considered customers or consumers, they are still members of the higher education community, and still need to have a say in the quality of their studies. It is worth noting that the two key Bologna principles, stating on the one hand that “students are full members of the higher education community” (Prague Communiqué, 2001) and on the other hand that “students are full partners in higher education governance ... and institutions and student organisations should identify ways of increasing actual student involvement in higher education governance” (Berlin Communiqué, 2003) are valid both for public and private higher education institutions, and regardless of whether the students pay tuition fees or not. In this regard, *the team recommends that FBM should consider strengthening students’ participation in the collective governance bodies. In parallel, the leadership of FBM should support the existence and operation of the Students’*

Parliament and encourage students to actively participate in it. The Students' Parliament may also prove to be an effective means to help identification of students with the faculty.

3. Teaching and learning

The educational philosophy of FBM

For the evaluation team, the philosophy of FBM regarding teaching and learning is illustrated in two references made in the SER. According to the first reference, “the transfer from static teaching mentality to student-oriented approach by means of problem solving is being materialised at the Faculty”. It could be said that this first reference points directly to the concept and to the new educational paradigm of “student-centred learning”. According to the second reference, “the majority of the study programmes are business-oriented and are being realised through a lot of practice work”. This second reference points to study programmes characterised by a strong practical dimension. However, the team has formed the view that these two cornerstones of the educational philosophy of FBM do not reflect the reality. Concerning practical training in particular, it is worth noting another reference of the SER which states the opposite, i.e. “Study programmes do not provide enough for practical training.”

Student-centred learning

With regard to the student-oriented approach, the team regrets that despite the statements presented in the SER it could not find evidence of elements of student centred learning in FBM. During the meeting with undergraduate students it became clear that there are problems in the relationships between students and teachers and in the organisation of their studies. The concept of student-centred learning is not an issue of statements or of formalities; it has of course to do with methodologies, but primarily it has to do with a new attitude of both students and teachers, with personal contacts between students and teachers, and with the commitment of both students and teachers. However, FBM faces a serious problem with the fact that almost all members of the teaching staff in the three higher academic ranks (27 out of 30) are employed on a part-time basis in FBM, working in parallel and primarily in one, two or three other higher education institutions besides FBM. The situation becomes even more critical as a large proportion of the teaching staff (about half) seem to be replaced from one year to the next.

This situation causes problems to the overall organisation and implementation of the study programmes. Significant constraints arise with regard to the pedagogy of teaching and learning, the regularity of the courses, the assessment of students and overall contact between teachers and students. Problems appear even for simple practical matters. For example, the timetable of the courses cannot be communicated to the students in a long-term perspective because of the restricted availability of teachers. Students complain that the timetables for the courses are announced week by week. Students complained also that they do not receive any feedback on their performance in the examinations and they reported on irregularities concerning examination procedures. The team understands that this problematic situation is not necessarily due to bad quality of the teaching staff but is simply

the result of their multiple employments. It is clear that this situation cannot in any way help the realisation of the concept of student-centred learning.

The leadership of FBM has a counter argument to the situation; the experienced professors from other universities from Montenegro and from Serbia help on the one hand in training younger and less experienced members of the staff and, on the other hand, in acting as catalysts for research initiatives. However, the team believes that the leadership of FBM undermines the importance of the sense of belonging by the part-time professors and the lack of identification with FBM. In this regard, the above situation does not allow for a student-oriented education to become a reality, while in parallel it also causes problems in the overall education procedures. The team believes that the students of FBM deserve a higher level of teaching and learning conditions. In this respect, *the team recommends that FBM should try to improve the overall situation with the teaching staff. The team is aware that FBM does not have a defined human resources policy in terms of a related strategic plan. However, it recommends that FBM should do its utmost in this regard with a view also to recruit younger teaching staff from the region. In parallel, FBM should try to minimise the problems caused by the large number of part-time teaching staff considering, among other matters, a more effective and efficient organisation of the courses (e.g. making timetables available sooner and more evenly distributed by setting them for the whole semester) and the correct and fair execution of the examinations (e.g. ensuring fair assessment of students and giving feedback on their errors).*

Academic staff/student ratio

Under these circumstances, it is not easy to estimate the academic staff/student ratio, in particular since FBM did not provide any data concerning the workload of the teaching staff per semester and accordingly the number of full time equivalent (FTE) teaching staff. Nevertheless, the team believes that under the existing circumstances in FBM a quantitative indicator such as the “academic staff/students ratio” cannot in fact reflect the qualitative aspects of teaching and learning.

ECTS and learning outcomes

Furthermore, the team could not find evidence for the proper and genuine calculation of ECTS relative to the student workload, nor in connection with learning outcomes or from its meetings with the students, teaching staff and management of the faculty. Therefore, *the team recommends that FBM releases information on how ECTS is calculated, focusing on a better adaptation of ECTS to the real student workload and considering the relationship of ECTS to the respective learning outcomes. This is a recommendation which does not aim at simple numerical re-calculations but to making the overall relationship “curriculum - learning outcomes - ECTS - student workload - assessment of students” fairer and more pragmatic.*

Practical training

The stakeholders appreciate the education offered at FBM but consider it as more or less theoretically oriented. They also stress the need for more practical training of the students. This is a concern raised also by the students, stating that internships are voluntary and practical parts of the curricula are very scarce. The team was informed that the practice component of the undergraduate Bachelor programmes corresponds to only three out of the 180 ECTS and its duration does not exceed two weeks during the sixth semester. Further, the team understood that there are not very many offers for placements in businesses, companies, etc. Although the practical training is a formal issue according to the study programmes, it seems that the implementation is based on informal co-operations between the faculty and the external stakeholders. The team was not in a position to understand whether this situation could improve if the duration of placements increased so that they could be valued as some kind of investment from the part of businesses, companies etc. However, *the team recommends that FBM increases practical parts of the curricula in Bachelor programmes and establishes longer internships (lasting at least three months) that will be conducted in a more systematic way (supervised jointly by teaching staff of the faculty and staff from enterprises, ending with a written report documenting the work done. In addition, FBM should strengthen its relations with stakeholders and employers with the aim to improve internships.*

Having said this, the team sympathises with FBM in a sense that currently the national legislative framework does not seem to offer institutions with incentives for developing the practical component in the Bachelor degrees, but encourages FBM anyhow to take this approach, which would be in line with Bologna Process principles of making Bachelor degree holders more employable.

Implementing the three cycles of Bologna

FBM has still not implemented the three-cycle Bologna structure with Bachelor, Master and Doctoral programmes. Instead, the former study programmes of four years are now offered in the form of Bachelor programmes of three years, together with postgraduate Specialist programmes of one year. The explanation given to the team for this was the opinion that the labour market was still oriented to the traditional academic titles and would not recognise Bachelor graduates with only three years of studies. Under these conditions, all students graduating from Bachelor programmes continue for one more year to Specialist programmes. The team would like to note in this regard that the undergraduate students whom they met are all planning to continue for Specialist studies, but not at FBM. They indicated that they will try to enrol at the UoM since they cannot afford the high fees of FBM. The team believes that the problem is rather complex. In fact, it is the national legislation that offers the possibility for Specialist study programmes in the second cycle of studies, thus creating a situation where the higher education institutions seem to be encouraged not to limit their offer to the strict bachelor-master-doctoral studies cycle. *In this regard, the team would recommend that FBM undertakes initiatives to explain to potential employers of its Bachelor graduates the value of their diplomas in view of the overall European context.*

Curricula development

Another important issue in the Bologna Process is connected with the involvement of students and stakeholders in the curricula development. The team has realised that this is not the case with FBM and was told that the faculty does not seek for the opinion of stakeholders or students. When some external expert opinion is required for the curricula, the faculty addresses professors from other countries who cooperate with FBM (especially from Serbia). In order to adapt also to these principles of Bologna Process, *the team recommends that FBM should consider involvement of both students and external stakeholders in the curricula development. As for the involvement of the stakeholders, this should be done in a formal way so as to ensure the relevance of the curricula with the demands of society and so that opportunities can be created for students to participate in internships, placements etc. as well as to prepare future graduates for employment.*

Promoting studying conditions

Finally, the team recommends that FBM should pay specific attention to promoting studying conditions. In this regard, FBM should encourage and facilitate the extra-curricular activities of students on the premises of the faculty. Providing e-learning instruments and suitable physical space (study-places for group work, social corners) with wireless access in order to practice self-learning would be appropriate steps to take in that direction. And finally, strengthening knowledge of foreign languages among students (but also among teaching staff) should be considered.

4. Research

The SER is clear about research in FBM, stating the following:

Concerning research work, unfortunately, the Faculty does not appear to be recognisable institutionally. Researching practice is being done individually and the teaching staff, those full-time or part-time engaged, present their research results individually, not on behalf of the Faculty.

The reasons can be easily understood if the overall situation concerning teaching staff is considered. Almost all professors, associate professors and assistant professors (Docs) are employed in FBM on a part-time basis, working in parallel and primarily in other higher education institutions, where they conduct their research activities and with which they identify the performance and the results of their research. The basic argument of the leadership of FBM that these experienced professors from other universities will help in training younger ones operating on a full-time basis, and will act as catalysts for research initiatives, does not actually help in developing research activities in FBM. The basic argument of the leadership of FBM that these experienced professors from other universities will help in training younger ones operating on a full-time basis, and will act as catalysts for research initiatives, does not seem to happen in practice. As the team was told during an interview, "there is no possibility for research in FBM because the younger full-time teaching staff will have to cooperate with their experienced part-time colleagues in other universities and even in other countries."

Under these circumstances, research does not seem to be a main concern of FBM at present. Research policy is not in place and research priorities are not set; FBM is actually not a recognised research institution; research is done individually and results are not identified with FBM; in general, the research activities of the part-time staff are identified with the institution in which they are fully employed. In this context, it is quite logical that students are neither involved in research activities nor in consultancy services.

However, and apart from these observations, the team has difficulty in understanding how the situation in FBM described above is consistent with the share of activities within a higher education institution (20% education, 40% research, 40% social mission) as defined in the "Strategy of Development and Financing of Higher Education in Montenegro 2011-2020". The SER gives the following clarification: "The mentioned strategy says: 'Each study programme is supposed to have 20% of professors-teachers (the whole day pedagogical-educational work with students, while the rest is for professors-researchers).'"

In any case, FBM as a higher education institution has to develop its research component and improve its research performance. To that aim, *the team recommends that FBM develops an effective research policy, considering among others the involvement of teaching staff under the institutional umbrella of FBM, cooperation with other higher education and research institutions and strengthening its links with public and private sector. In parallel, FBM should*

also consider the internationalisation dimension of its research activity (international research teams, publications in the English language, etc.)

An issue directly related to the research capacity of a higher education institution is the development of doctoral studies. In FBM there are no doctoral programmes, nor are they included in the future plans of the faculty. For the evaluation team, the development of doctoral studies is dependent on the research capacity of the higher education institution. A doctoral programme cannot therefore be established if the necessary critical mass for research is not assured. Alternatively, any plans for developing doctoral education should be integrated into the plans for building the appropriate research capacity.

5. Service to society

Establishing strong and close links with society is one of the major aims of any higher education institution today, notably because offering services to society is considered to be the third mission of higher education. The team understands that FBM considers as its main service to society the formation of well-educated and trained graduates for the regional labour market. As for its relations with local authorities and enterprises, it seems that they are maintained mainly on individual bases and not in a systematic and formal way. However, the team is of the opinion that these relations could be more formalised and strengthened. The stakeholders and the employers met by the team expressed a very positive view for FBM and seemed to appreciate the education and overall work done at FBM. This is a good sign for the institution to elaborate on and build a rigid and creative relationship with its stakeholders.

In this regard, the team recommends that in order to strengthen and improve its relations with society and the region, FBM should first present its areas of education and research (in fact its identity and its full capacity), on the one hand to secondary schools in order to stimulate and attract potential students from the region, and on the other hand to potential partners from society, industry and economy. As a next step, FBM should present examples of good consultancies and services to potential partners and explore opportunities for strategic partnerships, co-operations and alliances. To that end, FBM should sign formal agreements and contracts with stakeholders and employers (companies, enterprises, public institutions) for co-operations of various types including joint projects, internships for the practical training of students and offering services of various types. In the context of this strategy, FBM should also consider (as it was mentioned already in this report) the involvement of stakeholders in the educational activities, both in the processes of curricula development and in teaching in the capacity of invited professional experts. Further, the team recommends that FBM should strengthen and formalise its relations and the information flow with its graduates (e.g. tracking of graduates and alumni association).

6. Quality culture

Although there is not an office for quality as an organisational unit to deal only with quality assurance and quality management, or a reference book for internal quality provision, the team formed the view that FBM is aware of the importance of quality management. Quality standards defined by the government through various acts - in accordance with Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG) - are in the process of implementation for the needs of the accreditation and re-accreditation procedures of the study programmes. The team is aware of the list of 16 standards used for the accreditation processes which has been created by the Council of Higher Education of Montenegro on the basis of ESG. Since there are no permanent structures and continuous procedures for internal quality assurance and quality management in FBM, the development of a quality culture is dependent on the accreditation procedures and it is affected by the overall experience gained from accreditation.

In general, it can be said that a common feeling of ownership for a quality culture at FBM by its members (staff and students) is not visible. For example, there are no formal procedures for reviewing the contents of the curricula concerning their attractiveness and their relevance. In this regard the team would like to stress the fact that the participation of students in quality assurance activities is not very high. Evaluation of teaching by students was stopped two years ago and the team was informed by the students that they are not eager to fill out the questionnaires. They do not trust the anonymity and they do not believe that the questionnaires will have any impact on the quality of their studies. As they explained to the team, if there are any problems with the curriculum, the content of the courses or their teachers, they address the head of student services.

In the SER it is mentioned that there is a Strategy for Quality Provision and Improvement in FBM and that a Central Team has been formed within the faculty for the sake of quality supervision. However, the evaluation team could not verify the existence of the Strategy, while the above mentioned Central Team was in fact the self-evaluation team created for the needs of the 2013 re-accreditation of the study programmes and not a permanent quality assurance structure. Finally, the team has the view that the overall quality assurance processes are carried out in FBM only occasionally, in an irregular and non-systematic way. This situation cannot create a quality culture within the institution. For that reason, *the team recommends that FBM should undertake concrete measures aimed at quality culture. In this respect, appropriate instruments should be created in order to develop a common understanding and ownership for quality culture at FBM. In parallel, the overall community of FBM (staff and students) should be informed more clearly about the benefits and improvements deriving from quality assurance procedures. Reviewing of curricula should be done irrespective of re-accreditation on the basis of clear rules and procedures with the involvement also of the students. More specifically the students should be motivated in order to participate actively and critically in the evaluation procedures. Finally, the team recommends to FBM that its internal quality assurance should be built on the basis of*

strategic planning of the institution and should make use of and benefit from the existing good practices (e.g. benchmarking with comparable institutions nationally and internationally).

7. Internationalisation

Internationalisation is a key issue in the European Higher Education Area; consequently, it should be high on the strategic agenda of any European university today. The team is aware that Montenegro has committed itself to the Bologna ideas, with internationalisation being high on the agenda. However, signs for real international mobility could not be identified in FBM. Any existing outgoing mobility takes place mainly with Serbian institutions, but this cannot be considered international, since the majority of the teaching staff comes from Serbian universities. In this regard, *the team recommends that FBM develops an internationalisation policy which should go beyond Serbia and which should cover mobility of students and staff, research collaborations, strategic partnerships and other international activities. The use of foreign languages should be part of this policy, including among others courses and text-books in English.*

8. Conclusions

FBM plays a role in the region of Bar, and moreover in Montenegro, and is recognised by public and private organisations. However, FBM has to respond more actively to current challenges in order to guarantee its sustainability and quality of education. The hope that “unfair competition” will be restricted and old traditions will continue will not solve the existing problems.

FBM has also to handle the problem of weak identification of its students and teaching staff with the institution. In the opinion of the team, FBM has a good basis to meet the present and future challenges of higher education, but it must seize the opportunity.

The recommendations included in the present report are intended to be the team’s own contribution to improvement and to help FBM make the most of the opportunities open to it and to cope with the threats it may face in the future. At the same time, this evaluation report aspires to function as an inspiration for FBM as a whole, but more specifically for all those - leadership, students and staff - who are concerned by its future. The team hopes that the evaluation work carried out, including the present report, will provide real help to FBM in its future actions.

Summary of recommendations

In this section of the report the main recommendations are summarised as they have appeared in italics in the respective sections of the text. In order for the recommendations to be able to stand autonomously in this specific section of the report, a slight rephrasing was necessary in some cases.

1. The team recommends that FBM develops a policy for cooperation with all faculties in the region and further strengthening its links with local and regional society including all external partners.
2. The team recommends that FBM starts strategic and operational planning so as to address current and future challenges, and therefore initiating an open discussion on its future which would involve the founders, staff, students and stakeholders. The result of this process should be a strategic plan for the coming years with clear goals that can be reached within the existing constraints.
3. The team would recommend that FBM enhances its capacity for consultancies and applied projects addressed to partners from business, economy, public entities, etc.
4. The team believes and recommends that FBM should strengthen the corporate identity of the faculty and motivate teaching staff and students to identify with FBM. Simple initiatives, such as the provision of a common e-mail address to identify all students and professors as members of the community of FBM would help to achieve that aim.

5. The team recommends to the leadership of FBM to re-think some of its current structure and practices. The size of the Faculty Council (37 members) seems to be quite large for a small institution. This is of even greater consequence given that a substantial part of the teaching staff is working only part-time at FBM and/or is engaged also with other universities in Montenegro and elsewhere.
6. The team recommends that FBM should consider strengthening students' participation in the collective governance bodies. In parallel, the leadership of FBM should support the existence and operation of the Students' Parliament and should encourage students to actively participate in it. The Students' Parliament may prove to be an effective means to help develop the students' sense of identity with the faculty.
7. The team recommends that FBM should try and improve the overall situation with the teaching staff. The team is aware that FBM does not have a defined human resources policy in terms of a related strategic plan. However, it recommends that FBM should do as much as possible so as to recruit younger teaching staff from the region. In parallel, FBM should try to minimise the problems caused by the large number of part-time teaching staff, taking into consideration a more effective and efficient organisation of the courses (e.g. making timetables available sooner and more evenly distributed by setting them for the whole semester) and the correct and fair execution of the examinations (e.g. ensuring fair assessment of students and giving feedback on their errors).
8. The team recommends that FBM releases information on how ECTS are calculated, focusing on a better adaptation of ECTS to the real student workload and considering the relationship of ECTS to the respective learning outcomes. This is a recommendation which does not aim at simple numerical re-calculations but to make the overall relationship "curriculum - learning outcomes - ECTS - student workload - assessment of students" fairer and more pragmatic.
9. The team recommends that FBM extends practical parts of curricula in Bachelor programmes and establishes longer internships (lasting at least three months) that will be conducted in a more systematic way (supervised jointly by teaching staff of the faculty and staff from enterprises, and ending with a written report documenting the work done.) In addition, FBM should strengthen its relations with stakeholders and employers with the aim to improve internships.
10. The team would recommend that FBM undertakes initiatives in order to explain to potential employers of its Bachelor graduates the value of their diplomas in view of the overall European context.
11. In order to adapt also to the principles and requirements of the Bologna Process, the team recommends that FBM should consider the involvement of both students and external stakeholders to the curricula development. With regard to the involvement of stakeholders, this should be done in a formal way and be considered as ensuring the relevance of the curricula with the demands of society, and to create opportunities for

students to participate in internships, placements etc. as well as to prepare future graduates for employment.

12. The team recommends that FBM should pay specific attention to promoting the studying conditions. In this regard, FBM should encourage and facilitate the extra-curricular activities of students on the premises of the faculty. Providing e-learning instruments and suitable physical space (study-places for group work, social corners) with wireless access in order to practice self-learning would be appropriate steps in that direction. Finally, strengthening knowledge of foreign languages among students (but also among teaching staff) should be considered.
13. The team recommends that FBM develops an effective research policy, considering among others the involvement of teaching staff under the institutional umbrella of FBM, cooperation with other higher education and research institutions and strengthening its links with public and private sector. In parallel, FBM should also consider the internationalisation dimension of its research activity (international research teams, publications in the English language etc.)
14. The team recommends that in order to strengthen and improve its relations with society and the region, FBM should first present its areas of education and research (its identity and its full capacity) to secondary schools in order to stimulate and attract potential students from the region, and to potential partners from society, industry and the economy. As a next step, FBM should present examples of good consultancies and services to potential partners and explore opportunities for strategic partnerships, co-operations and alliances. To that end, FBM should sign formal agreements and contracts with stakeholders and employers (companies, enterprises, public institutions) in view of different types of cooperation that would include joint projects, internships for the practical training of students and offering services of various types. In the context of this strategy, FBM should also consider (as it has already been mentioned in this report) the involvement of stakeholders in educational activities, both in the process of curricula development and that of teaching under the competence of invited professional experts. Further, the team recommends that FBM should strengthen and formalise its relations and the information flow with its graduates (e.g. tracking of graduates and alumni association).
15. The team recommends that FBM should undertake concrete measures aimed at quality culture. In this respect, appropriate instruments should be created in order to develop a common understanding and ownership for quality culture at FBM. In parallel, the overall community of FBM (staff and students) should be informed more clearly of the benefits and improvements deriving from QA procedures. Reviewing of curricula should be done irrespective of re-accreditation on the basis of clear rules and procedures with the involvement also of the students. More specifically the students should be motivated in order to participate actively and critically in the evaluation procedures. Finally, the team recommends to FBM that its internal quality assurance should be built on the basis of the

strategic planning of the institution and should make use of and benefit from the existing good practices (e.g. benchmarking with comparable institutions nationally and internationally).

16. The team recommends that FBM develops an internationalisation policy which should go beyond Serbia and which should cover mobility of students and staff, research collaborations, strategic partnerships and other international activities. The use of foreign languages should be part of this policy, including among others courses and text-books in English.