

# Researcher Mobility, Finnish Business Know-How and the United States

Finnish Center of International  
Business Education and Research  
(FCIBER)  
Academy of Finland

Dan Steinbock

# Academy of Finland in brief

The Academy's mission is to finance high-quality scientific research, act as a science and science policy expert and strengthen the position of science and research. The Academy's operations cover all scientific disciplines.

The main focus of the Academy's development activities is on improving opportunities for professional careers in research, providing resources and facilities for high-profile research environments and making the best possible use of international opportunities in all fields of research, research funding, and science policy.

The Academy has a number of funding instruments for various purposes.

The Academy's annual research funding amounts to about 185 million euros, which represents some 13 per cent of the Finnish government's total R&D spending.

Each year Academy-funded projects account for some 3,000 researcher-years at universities and research institutes.

The wide range of high-level basic research funded by the Academy generates new knowledge. The Academy of Finland operates within the administrative sector of the Ministry of Education and is funded through the state budget.

For more information on the Academy of Finland, go to [www.aka.fi/eng](http://www.aka.fi/eng)

Layout: PixPoint ky

ISBN 951-715-483-6 (print)

ISBN 951-715-484-4 (pdf)

ISSN 0358-9153

Xerox Business Service, Helsinki, Finland 2004

# Contents

<b>1. Assessing Mobility in Business Disciplines</b> .....	6
1.1. Context .....	6
1.2. Survey and Interviews .....	6
<b>2. Aggregate Results</b> .....	9
1.1. Institutions .....	9
1.2. Regions .....	10
<b>3. Universities</b> .....	11
3.1. Business Schools .....	11
3.2. Technology Universities .....	12
3.3. Universities .....	13
3.4. Art Academies .....	15
3.5. Graduate Schools .....	16
<b>4. Conclusions</b> .....	20
<b>APPENDIX Finnish Universities</b> .....	22



## **Abstract**

In the launch phase, a central task of the FCIBER is to improve the mobility of Finnish research trainees and post-doctorate researchers in the United States. According to initial estimates, the mobility potential in this phase was expected to be relatively low (4-12 PhD/post-doctorate researchers per year). This survey was undertaken to determine a quantitative basis for mobility planning. The relatively high mobility potential suggests that the internationalization of business know-how could be tackled simultaneously at the levels of education, research, and business outreach. By initiating and reinforcing mobility programs to the United States, the Academy of Finland shall not only boost the quality and internationalization of Finnish business education and research; it can also provide an important example nationally, while serving as a catalyst.

# 1. Assessing Mobility in Business Disciplines

Strengthening business know-how is a significant development challenge to a national innovation system, as stated in *Knowledge, Innovation and Internationalisation* by the Science and Technology Policy Council of Finland.<sup>1</sup> Various measures have been taken in order to strengthen and develop Finnish business sciences, including the launch of the Finnish Center of International Business Education and Research (FCIBER) in New York City.

The FCIBER provides a physical presence to Finnish business disciplines in the United States. Its mission is to serve as a catalyst in the development of Finnish business sciences and related disciplines (including law, social sciences and humanities) in the high-level research of international business, as well as in business fields that need additional investment in Finland.

## 1.1. Context

According to initial estimates, the mobility potential was expected to be relatively low (4-12 PhD/post-doctorate researchers per year). Anecdotal evidence and long-term observations suggested that this potential might be more extensive. This survey was undertaken to determine a quantitative basis for mobility planning.

The survey and the interviews explored the number of expected mobility participants in the spring of 2004, participation potential during the next three years, as well as interest in specific U.S. universities, and the visits of U.S.-based professors in specific universities/programs.

The surveys comprised all potential applicants on the academic side, including business schools, technology universities, other universities, art academies and a substantial sample of graduate schools. Due to schedule constraints, the primary objective was not to cover all graduate schools (members of each could apply for funds later), but to determine whether different kinds of research trainees who were at an advanced stage of their studies might still be interested in the mobility option. Altogether, the survey covered some 31 institutions (see Appendix)

## 1.2. Survey and Interviews

More than 95% of the institutions responded to the survey. Less than 10% could or were willing to provide quantitative data. Less than 20% of the institutions provided survey data and written information but declined an interview; most of the individuals represented (i.e., were directors of and/or spoke on behalf of the graduate schools). With some large institutions, more than one person was interviewed

---

<sup>1</sup> Knowledge, Innovation and Internationalization, Science and Technology Policy Council of Finland, Helsinki 2003.

(rector/dean, directors, and/or professors). Overall, the response to surveys and interviews may be considered high. The list below includes only the key contacts in the respective institutions:

Business schools (3/3):

- Eero Kasanen, Rector (Helsinki School of Economics )
- Marianne Stenius, Rector (Swedish School of Economics and Business Administration)
- Tapio Reponen, Rector (Turku School of Economics and Business Administration)

Technology universities (3/3):

- Paul Lillrank, Professor (Dept of Management, Helsinki University of Technology)
- Kalevi Kyläheiko, Vice Rector (Lappeenranta University of Technology)
- Jarl-Thure Eriksson, Rector (Tampere University of Technology)

Universities (11/12):

*with business science departments/faculties*

- University of Jyväskylä University (Faculty of Economics)
- Rauli Svento, Dean (Faculty of Economic Sciences, University of Oulu )
- Jorma Sipilä, Rector (University of Tampere )
- Martti Laaksonen, Dean (University of Vaasa )
- Olle Anckar, Vice Rector (Åbo Akademi University)

*without business science departments/faculties*

- Ilkka Niiniluoto, Rector (University of Helsinki)
- Perttu Vartiainen, Rector (University of Joensuu)
- Tuomo Takala, Dean (School of Business and Economics, University of Jyväskylä)
- Markku Virtanen, Head (Dept of Business and Management, University of Kuopio)
- Esko Rieppula, Rector (University of Lapland)
- Keijo Virtanen, Rector (University of Turku)
  
- Raimo Väyrynen, Director (Helsinki Collegium for Advanced Studies)

Art Academies (3/4):

- Mika Hannula, Rector (Academy of Fine Arts)
- Pekka Vapaavuori, Rector (Sibelius Academy)
- Yrjö Sotamaa, Rector (University of Art and Design Helsinki)

Graduate Schools (10):

- Pertti Haapala, Director (Finnish Graduate School of History)
- Mikko Leppämäki, Director (Finnish Postgraduate Program in Economics, KAVA)
- Maj-Britt Hedvall, Research Director (Finnish Doctoral Program in Business Studies, KATAJA)
- Jaakko Leino, Coordinator (Langnet)

- Kimi Kärki, Coordinator (The Graduate School on Cultural Interaction and Integration and the Baltic Sea Region)
- Juha Karhu, Professor (Legal System in Changing Society)
- Marja Jukola-Aho, Contact Person; Matti Alestalo, Director (Tampere Center for Social Sciences, SOVAKO)
- Pertti Ahonen (National Doctoral Graduate School Consortium in the Administrative Sciences, VALHAL)
- Marja Jukola-Aho, Contact Person; Jyrki Käkönen, Director (National Graduate School for Political Science and International Relations, VAKAVA)
- Risto Kunelius, Director (Changing Communications)

In each case – business schools, technology universities, other universities, art academies, and graduate schools – the rectors, deans, directors, and/or department/faculty professors were interviewed separately. The function of the interviews was to provide depth and additional insights to the survey.

Interviews were also conducted with and/or contacts created with organizations, trade associations, and leading corporations and multinationals who have participated in industry/academia partnerships, including

- Martin Granholm, Senior EVP (UPM Kymmene)
- Kari Jalas, Managing Director, the Central Chamber of Commerce
- Risto Jalonen, Chairman (FVCA, Finland’s Venture Capital Association)
- Markku A. Karlsson, SVP Corporate Technology (Metso)
- Pekka Ketonen, CEO and Chairman (Vaisala Group)
- Juha Oksanen, Official, Educational Affairs (Suomen Ekonomiliitto, SEFE)
- Veli Sundbäck, SVP Nokia (TT, Confederation of Finnish Industry and Employers)
- Krista Tulonen, Secretary General (FVCA, Finland’s Venture Capital Association)
- Riitta Vihersola, Managing Director, (The Central Association of Women Entrepreneurs in Finland)
- Sirpa Widomski, Chairman (Suomen Ekonomiliitto, SEFE)
- Kari Pekka Wilska, President (Nokia Inc., Americas)

Finally, interviews were conducted with an estimated 20-25 leading pioneers of international business and international relations, research professors, directors of research organizations and think tanks, veteran specialists in business sciences and public administration. These interviews provided additional depth and context.

# 2. Aggregate Results

## 2.1. Institutions

According to the aggregate figures, the mobility potential, as estimated by the interviewees, is substantially higher than anticipated (4-12 PhD/post-doctorate researchers per year). Moreover, it can be expected to accelerate over time, assuming positive initial circumstances.

Institutions	2004	2005	2006
Business Schools	05-10	10-15	10-15
Technology Universities	02	03	03-05
Universities (total)	10-13	14-21	18-23
<i>Universities (wB)<sup>2</sup></i>	<i>09-10</i>	<i>09-13</i>	<i>12-15</i>
<i>Universities (w/oB)<sup>3</sup></i>	<i>01-03</i>	<i>05-08</i>	<i>06-08</i>
Art Academies	0	02	02-03
Graduate Schools	06	06-10	08-12
<b>Total</b>	<b>23-31</b>	<b>35-51</b>	<b>41-58</b>

However, these figures must be assessed with caution. On the one hand, they are self-estimates by the universities, not explicit commitments. The figures, thus, may be somewhat higher than in reality. On the other hand, these estimates may also be considered conservative. The figures may be lower than in reality, due to the following reasons:

- Missing Responses. Two major players did not provide quantitative data (Swedish School of Economics and Business Administration, Helsinki University of Technology). If their figures were to correspond to those of the Helsinki School of Economics and Business Administration or the Turku School of Economics and Business Administration, each may have a potential of 3-7 applicants per year, which would translate into an additional 6-14 overall per year.
- Broad Mandate, Narrow Interpretation. The questions were typically understood in a narrow way (as if mobility involved only traditional/core business sciences).<sup>4</sup> The mandate of FCIBER mobility is broad (internationalizing business studies plus related and supporting disciplines). When this issue was addressed in post-survey interviews, many respondents acknowledged that the original figures would increase substantially, if the mobility options were to be understood more broadly.
- The Role of Macroeconomics. The Finnish Postgraduate Program in Economics (KAVA) estimated that none of its members would be included in the FCIBER mobility programs. This conclusion may reflect research plans that have been locked in previously, or a narrow interpretation of the FCIBER mandate.

<sup>2</sup> Universities with business studies departments or faculties.

<sup>3</sup> Universities without business studies departments or faculties.

<sup>4</sup> For instance, directors of PhD programs did not include potential applicants in corporate communications or languages; rectors/deans delegated questions to the directors of the business departments but not to others, and so on.

## Contents

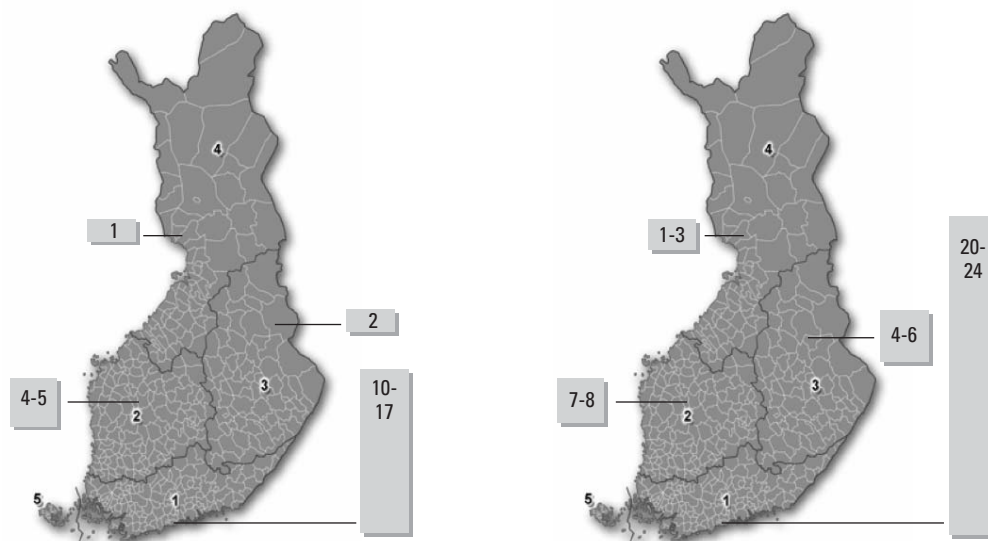
- PhDs/Postdocs in Private and Public Sector. The proposed mobility programs are expected to cover not only academia but the private and public sectors, where researchers tend to be more established and more likely to have family obligations. As a result, their ability to travel abroad may be more limited. On the other hand, if industry/ academia partnerships could be facilitated, the mobility potential is likely to increase accordingly. From the standpoint of competitiveness, one could argue that this potential represents a neglected reserve.

The above considerations suggest that – given all the responses, as well as a broad and inclusive mandate – the aggregate results, though substantially higher than anticipated, may be conservative.

## 2.2. Major Regions

According to the survey results, the anticipated exchange in 2004 reflects substantial regional differences. These differences are likely to deepen over time.<sup>5</sup> In this regard, a mobility program can provide one countervailing force – if it is truly national by nature and offers equal access to all players, at equal terms. This, however, requires proactive participation outside Southern Finland, particularly in Northern Finland.

### Potential Mobility\*



*Potential Mobility in 2004*

*Potential Mobility in 2006*

\* The estimations were not available for two major institutions (Swedish School of Economics and Business Administration Helsinki University of Technology). Their inclusion would boost the numbers of Southern Finland, with an additional 6-14 persons by 2006.

<sup>5</sup> Because graduate schools operate nationally, they have not been included in the results; but their composition tends to reflect the bargaining leverage of different regions and their universities.

## **3. Universities**

### **3.1. Business Schools**

<b>Institutions</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Business Schools	05-10	10-15	10-15

With the Swedish School of Economics and Business Administration, the aggregate number of business school researchers would amount to 10-15, 15-20, and 15-20 applicants in 2004, 2005, and 2006, respectively. This would be about 25-50% of the total.

“Our view is clear: it would be great to have more exchange.” This remark by one of the rectors illustrates the prevailing attitude and expectations among business schools. “Our objective is to promote the exchange of postdoc-researchers and faculty more and faster than before,” noted another.

The representatives of leading Finnish business schools were interested in U.S. business schools, such as Stanford, Harvard, Northwestern, Michigan State University, Yale, University of Maryland, and California State. Through their selections, the Finnish business schools typically seek to solidify their individual strengths and compensate for weaknesses. In terms of U.S. visitors, these b-schools were attracted by programs such as industrial organization/economics, economics of innovation and intellectual property, international business (University of South Carolina, Georgetown University, Harvard Business School), and international marketing (Michigan State University). The leading b-schools were willing to cooperate and (virtually) network with other interested players, in order to leverage the benefits of potential U.S. visitors.

The prevailing views on the visits were realistic. As one interviewee put it, “It’s practically impossible to get the ‘great stars’, but if we can provide something that matches with the research interests of the U.S. b-schools, something can be done.” Several observers felt that “if only we can get them here once, for instance in the summer when it’s often easier for the visitors, we can provide them an experience that will bring them back.” In ideal cases, individually or institutionally stimulated exchanges are expected to result in joint projects.

These views underscore the opportunities in institutional/relationship interplay. If the institutional players of the Finnish innovation system can stimulate the interest of U.S. research professors, Finnish b-schools and their professors can try to transform these prospects into regular visitors.

According to the representatives of the leading Finnish business schools, exchanges typically evolve through personal relationships and networking of individual professors. Some were concerned that “top-down efforts” might restrict the maneuverings of the b-schools. However, smaller and regional players exhibited great interest in both relationship- *and* institutionally driven variations. Several also felt that, if appropriately balanced, relationship- and institutional alternatives

## Contents

would complement each other. Moreover, the research organizations of the b-schools often serve as interfaces for deepening collaboration with U.S. players – though most often with individual professors rather than institutions.

“Some 10-20 years ago, the United States was a ‘natural’ target country,” observes one interviewee. “Today European countries are perceived as more central in mobility. Many Euro-countries have become more international and Euro-researchers tend to emphasize European issues. Although the United States remains the top country in publications and there remains widespread interest, b-schools tend to seek new target countries for exchange.”

### 3.2. Technology Universities

Institutions	2004	2005	2006
Technology Universities	02	03	03-05

The Helsinki University of Technology (HUT) declined to provide annual projections. Coupled with a conservative HUT estimate, the role of technology universities would be as or more important than that of the universities with business faculties/ departments. It would amount to some 10 researchers per year.

The representatives of Finnish technology universities were interested in highly-regarded U.S. business schools, such as Stanford, Northwestern University (Kellogg School of Management), University of California (Berkeley), University of Pennsylvania (Wharton), MIT (Sloan School of Management), Harvard Business School, and Columbia. The representatives of Finnish technology universities were attracted by programs in management and strategy, technology management, high tech entrepreneurship, global business, information systems, and operations management. They were intrigued by studies in technology management; dynamic capabilities and transaction economics, real options and strategic management.

These interests appear to be motivated by academic *and* R&D opportunities. “Technology management is very topical,” noted one interviewee. “And technology forecasting is even more important and plays an inherent role in technology strategy.” As with the b-schools, the research organizations of the technology universities have often provided appropriate interfaces for exchange and cooperation with leading universities and research centers, including some in the United States.

The field of technology universities is dominated by the Helsinki University of Technology, where – according to the HUT – some 250 students complete PhD programs annually. External funding for research amounts to 6 million euros per year. The HUT has approximately 80 cooperative agreements with foreign universities and schools. With or without agreements, cooperation works only when both parties are interested in a specific project and have researchers dedicated to cooperation. Each professor has contact networks which facilitate research exchange and traffic.

These realities reflect a longstanding tradition of excellence at the HUT, two decades of technology-heavy investments vis-à-vis the public and private sectors, and

## Contents

perhaps the “special relationship” between the HUT and the key actors of Finnish innovation system. The strengths of the HUT are not shared by other institutions, nor by other technology universities; the latter struggle to obtain greater institutional support for their mobility and networking.<sup>6</sup>

Unlike the business schools, the technology universities tend to have exchange contracts with several U.S. business schools. However, some of these are limited to technology transfer. Few schools engage in bilateral contracts because of cost structure. In many departments, it is also hard to motivate employees to travel abroad. As many individuals establish themselves quickly in the labor market, there are fewer incentives.

### 3.3. Universities

Institutions	2004	2005	2006
Universities (total)	10-13	14-21	18-23
<i>Universities (wB)</i> <sup>7</sup>	<i>09-10</i>	<i>09-13</i>	<i>12-15</i>
<i>Universities (w/oB)</i> <sup>8</sup>	<i>01-03</i>	<i>05-08</i>	<i>06-08</i>

Half of Finnish universities have business science departments or faculties, including the University of Jyväskylä (Faculty of Economics), the University of Oulu (Faculty of Economic Sciences), the University of Tampere (Department of Business Sciences), the University of Vaasa (Faculty of Business Sciences), and Åbo Akademi University (Faculty of Economics and Politics). At the time of this survey, the University of Tampere was moving ahead with plans to transform the current Department of Business Sciences into a school of business. Half of Finnish universities do not have such departments or faculties, including the universities of Joensuu, Kuopio, Turku, and Lapland.

As expected, this basic distinction was reflected in the survey and the interviews. The mobility potential of the universities with business departments or faculties was twice as high as that of the universities without such resources.

#### *Universities with business departments or faculties*

Most choices were reminiscent of those of Finnish b-schools, including Berkeley, Wharton, NYU, Michigan, Columbia, Stanford, MIT, Boston College, Texas A&M, Kellogg, and Georgetown University. In terms of visitors, these departments and faculties were interested in the same U.S. universities. As anticipated, the members

---

<sup>6</sup> Under the leadership of the Council of State and the Ministry of Education, the *Network of Eastern Finland's business sciences* emulates the broader strategy to develop this part of Finland, especially to strengthen the growth of companies and new business formation. In this network, the universities of Kuopio, Joensuu and the Lappeenranta University of Technology presumably “develop and actualize in an equal and regionally effective way research and education in business sciences.” The strategic concept is intriguing, but the collaboration has barely begun. Moreover, networking, with this initiative and others, is subject to the bargaining leverage of the universities. The big dominate; the small follow.

<sup>7</sup> Universities with business studies departments or faculties.

<sup>8</sup> Universities without business studies departments or faculties.

of Finnish universities with business departments/faculties had more varied interests among U.S. business schools and universities.

The universities' business departments/faculties lack the resources and capabilities to provide all the basic disciplines that are available in b-schools. Nor are they pure niche players. They are more willing to cooperate and network with major schools and other players that may augment their offerings. Because of their role in the university system, they have more heterogeneous motivations and objectives. Also, smaller and younger players have less to lose and more to gain. As a result, their interest in international cooperation, especially in the U.S., may be substantial. "We must be realistic and set our objectives at the right level, but we also need a firm basis for our activities," observes one interviewee. "We can't aspire for too much, but if only we could have a real breakthrough. That could result in substantial participation."

"Many of our professors have visited the United States," says one interviewee. "But things are different with the new generation. Moreover, European integration has made European countries more natural partners. Research visits to the United States involve cost issues, housing problems, and the country can be difficult to a Finn." Regional universities seek interfaces for industry/academy cooperation, often through entrepreneurship and programs involving new business formation and small-and-medium size enterprises (SMEs).

Understandably, universities that are located in close proximity to major ICT clusters seek greater cooperation with U.S.-based industry/academia leaders, especially in California (e.g., Berkeley). Although they have initiated some contacts, true research collaboration would require greater investments, which they cannot afford but hope to find through exchange. If, however, vital clusters are missing and a business-driven culture is absent, the faculty tends to be academically insular and more focused on regional issues, which are seen to be mutually exclusive with "globalization."

The role of the business faculties within the university context is often considered a weakness because they do not function as full-scale business schools. From the standpoint of a full-service b-school, this view is valid. But this weakness may also be construed as an opportunity. Contemporary business research requires multi-disciplinary capabilities. These faculties may be more familiar with broad research missions, and they often engage in substantial joint projects with other disciplines.

#### *Universities without business departments or faculties*

Half of Finnish universities do not have business departments or faculties, including those in Helsinki, Joensuu, Kuopio, Turku, and Lapland., Internationalization has swept most players relatively recently, i.e., after the demise of the Cold War. "In 1987, we had only 24 people in exchange programs," notes one interviewee. "Today, the figure exceeds 1,000. Internationalization arrived only in the 1990s, but as it did, things have happened very fast." These universities operate within a multidisciplinary context that tends to have a wide variety of scientific disciplines. They, too, are used to broad research missions.

## Contents

Several participants had difficulty finding nodal points for mobility. Others considered current collaboration between business studies and other university disciplines minimal. Smaller players seek to exploit their geographic or business strengths to achieve cooperation with local business or to establish unique niches. “We have a strong tradition in area research,” observes one interviewee. “In the United States, we have had some collaboration with other area researchers in Montana and those interested in the Mexican border.”

All participants were open to cooperation. Smaller players tend to focus on entrepreneurship and SME opportunities, including “born global” issues, which are often important for the local economy. By the same token, they are often driven by dual pressures. “Academically, we seek to strengthen ourselves in the Finnish university system, which requires scientific credentials,” observes one interviewee. “In the local economy, we aspire to strengthen our credibility, which requires applied activities. These pressures can be conflicting.”

Today, internationalization permeates big and small players alike. At Kuopio, for instance, the arrival of Honeywell boosted interest in business. China plays an important role in medical technologies. TE centers attract aspiring high-tech entrepreneurs. “We can’t ignore internationalization,” notes one interviewee. “In our local economy, larger companies, SMEs and high-tech firms understand only too well that if there is a basis for ICT-driven growth, one must internationalize, and, in many cases, this must happen from the very beginning of business activities.”

### 3.4. Art Academies

Institutions	2004	2005	2006
Art Academies	0	02	02-03

The target universities of Finnish art academies reflect the academies’ institutional objectives and aspirations. The University of Art and Design Helsinki (UIAH) gives education and pursues research in the fields of design, motion picture, audiovisual communication, art education and arts. Typically, UIAH is interested in exchange opportunities with Art Center (Pasadena), Carnegie Mellon, Rhode Island and Ohio. The UIAH is actively engaged in cooperation with business in Finland and abroad. Activities range from forward-looking research, product development and business development services to providing state-of-the-art training services and production and conference facilities. The UIAH is involved in R&D with businesses in design, audiovisual production and IT. Its focus is on the commercialization of design and media innovations. In addition to the UIAH departments, the university comprises units that coordinate partnership projects with business.

At the Academy of Fine Arts, PhD programs are still in development. While the “older generation” may not be too receptive for business-driven programs, the younger age groups are expected to be so. “In the United States, the institutional arrangements differ drastically from those in Finland,” notes one interviewee. “The role of the public sector as the patron of arts is limited. Consequently, arts programs must find financing in the private sector. However, things are changing in Finland as well.” In

## Contents

the long run, U.S.-based mobility might attract researchers of the Academy at least in three ways: the organization and management of fine arts entities, entrepreneurship in fine arts, and fine arts contents in mobile technologies. “The more our students and researchers travel and live abroad, the more they are likely to have interest in business-driven programs. Moreover, business-driven initiatives are expected to become more familiar in the near future. Today, artists remain entrepreneurs who don’t have to carry risk because the society provides for them.”

The institutional differences between U.S.-based and Finnish art academies also affect the Sibelius Academy, which has had a two-year M.A. program only since 1997. Most graduates expect to work in the public sector. But things are changing here as well. “Next fall we shall initiate another orientation alternative in Kuopio, with funding from the Foundation for Economic Education,” notes one interviewee. “This orientation should boost entrepreneurship in arts and culture; it is more driven by business.”

### 3.5. Graduate Schools

Institutions	2004	2005	2006
Graduate Schools	06	06-10	08-12

In Finland, the Ministry of Education finances the system of graduate schools at Finnish universities. The schools aim at professional training of doctoral students, internationally high-level doctoral theses, and efficient collaboration of university departments and other research units, to ensure a vital research potential in Finland. As mentioned before, the primary objective with the survey/interviews was not to cover all graduate schools but to determine whether different advanced-stage research trainees might still be interested in the mobility option. The following graduate schools were approached:

- Finnish Graduate School of History
- Finnish Postgraduate Program in Economics, KAVA
- Finnish Doctoral Program in Business Studies, KATAJA
- Langnet
- The Graduate School on Cultural Interaction and Integration and the Baltic Sea Region
- Legal System in Changing Society
- Tampere Center for Social Sciences, SOVAKO
- National Doctoral Graduate School Consortium in the Administrative Sciences, VALHAL
- National Graduate School for Political Science and International Relations, VAKAVA
- Changing Communications

Four broader themes emerge from the survey and interviews:

- The nature of graduate school research and lock-in
- The role of business studies and macroeconomics

- Law, internationalization, and economics
- Lack of information and international business linkages

### *The nature of graduate school research and lock-in*

As expected, most members of these graduate schools have already locked in their research plans and commitments. In the long run, it is thus vital to explore mobility prospects on the basis of their career paths. The role and impact of mobility is different at different points of the research career path. In the short term, the members of these graduate schools may be less interested in mobility options, with a few significant exceptions. In the medium- and long-term – if mobility programs are initiated – they could be active applicants.

### *The role of business studies and economics*

There are 11 departments of economics in Finnish universities. Most of them are too small to independently maintain an integrated doctoral program. In 1990 a joint graduate program was launched. The graduate program in economics (KAVA) is designed to provide graduate students, irrespective of their base institution, with training in the skills required of contemporary academic and professional economists. Currently, KAVA's members appear to believe that business know-how-driven exchange is not relevant to graduate research in economics. Still, economics, particularly international economics plays an inherent role in international business. It is quite probable that further information on mobility opportunities and the broad mandate will trigger interest among economists.

### *Law, internationalization, and economics*

Among the graduate schools, the legal researchers may currently be most interested in mobility opportunities. They account for more than half of the potential applicants. This interest is intertwined with rapidly-growing interest in the “law and economics” movement in the United States.<sup>9</sup> “Until the 1920s and 1930s, Finnish PhD's considered Germany the most natural target country,” notes one interviewee. “After the war years, the Nordic dimension has prevailed. The trans-Atlantic bridge has not been a systematic path. Recently, integration and globalization have begun to shape this traditional distinction between Continental and Nordic Europe. In the past, Finnish legal researchers have relied primarily on law schools in Harvard University (Boston) and Columbia (New York City). More recently, some have also visited California-based universities focusing on technology and technology transfer related legal issues.

Several nodal points couple international business and law. First, international law has not adequately covered issues that involve the globalization of national

---

<sup>9</sup> This field of study is not new. For instance, the *Journal of Law and Economics* was established in 1958. With new antitrust policies, deregulation, and international competition, its significance has steadily in the United States since the late 1960s and 1970s. In Finland, comparable macroeconomic circumstances evolved only in the 1990s; hence, the deferred interest..

economies. Second, national corporate and contract law have proved insufficient in an era of globalization (think also of international entrepreneurship and competition policy). Third, a variety of developments have served a similar function. Take, for instance, environmental law which is changing with multinationals that operate across borders. At a broader level, there has also been a shift from a static notion of law to a dynamic concept of law, which has implications in many business fields (take, for instance, corporate governance).

### *Lack of information and International Business Linkages*

In the case of several graduate schools, the number of *current* potential exchange applicants is relatively small. In the case of most graduate schools, the number of *future* potential applicants is significantly higher. In international business education and research, many graduate schools possess “natural” international business linkages. But only a few of them have had opportunities to explore such linkages, and some of them simply are not aware of them.

- Internationalization of business and economic research. Graduate studies in business and economics are at the core of international business studies. But only the IB faculties of the largest Finnish business schools have adopted a full IB perspective.
- Integration of language studies and research with IB orientation. In the U.S. and many European countries, business language studies have been integrated or coordinated with international business research.
- Fusion of culture, integration and area studies with international business orientation. Similar measures pertain to research on culture and integration, as well as area studies.
- Coupling innovation research with history and cultural history research. Researchers of history and cultural history have not yet adequately engaged in business history or international business history. This is about to change with increasing deregulation and globalization. Moreover, these researchers may be as well equipped or even better equipped to explore longitudinal innovation compared with those in b-schools or tech universities.
- Augmenting business research with communication studies. The larger the size of the enterprise, the more critical is the role of corporate communications. As Finnish firms internationalize more rapidly and extensively, the importance of communications is growing.
- Coupling international business research with research on international law. Until recently, most Finnish legal researchers had a Nordic orientation. In addition to integration developments, the globalization of industries – particularly Finnish high-technology – has brought the firms and the law closer to U.S.-based multinationals. The latter firms dominate international business in general and the technology sector in particular.

- Social sciences and international business. In the past, the relationship between social sciences and international business fields has been characterized by adversity. Yet, the very nature of MNCs, according to research by UNCTAD and the World Bank, has been changing since the 1980s. Today, the new globalizers are no longer just from large companies in large countries. Often they are SMEs that originate in small countries (think of Nokia in Finland or Samsung in South Korea). Rather than political threats, these MNCs can represent extraordinary economic opportunities. Many researchers in social psychology, sociology, and geography, for instance, could participate in research focusing on human resource management in Finnish firms and multinationals.
- Public administration and international politics as international business drivers. In the United States, the Academy of International Business, the leading trade association of international business scholars, underscores objectives that facilitate the exchange of information and ideas, as well as cooperation with “academic, business and government professions.” The academic, private, and public sectors are perceived as central drivers of IB education, research, and practice. This dynamic notion of IB is particularly relevant to small countries, which provide better conditions for such cooperation and networking.

## 4. Conclusions

In the launch phase, a central task of the FCIBER is to improve the mobility of Finnish research trainees and post-doctorate researchers in the United States. According to initial estimates, the mobility potential in this phase was expected to be relatively low (4-12 PhD/post-doctorate researchers per year). Anecdotal evidence and long-term observations suggested that this potential might be far more extensive. This survey was undertaken to determine some quantitative basis for mobility planning.

The survey results may be considered very conservative. The relatively high mobility potential suggests that the internationalization of business know-how could be tackled simultaneously at the levels of education, research, and business cooperation.

Institutions	2004	2005	2006
Business Schools	05-10	10-15	10-15
Technology Universities	02	03	03-05
Universities (total)	10-13	14-21	18-23
<i>Universities (wB)<sup>0</sup></i>	<i>09-10</i>	<i>09-13</i>	<i>12-15</i>
<i>Universities (w/oB)<sup>1</sup></i>	<i>01-03</i>	<i>05-08</i>	<i>06-08</i>
Art Academies	0	02	02-03
Graduate Schools	06	06-10	08-12
<b>Total</b>	<b>23-31</b>	<b>35-51</b>	<b>41-58</b>

Today, much of Finnish business know-how remains domestic by focus, even if there is an accelerating demand for international business education and research. In effect, these circumstances are typical to many small countries, particularly to those that possess a highly advanced technology infrastructure, such as Finland. In relative terms, Finnish exports of goods and foreign direct investment are relatively high worldwide. The international dimension, thus, is critical to Finland.<sup>12</sup> As the Finnish Higher Education Evaluation Council (FHEEC) has emphasized, this dimension is a “must” in Finnish business education and research:

*Internationalization must permeate all business education, and language studies should support this aim.... In the forthcoming two-cycle degree system, it is important to create genuinely international degree programs for both Finnish and foreign students, which is a challenging task. Studies abroad must be an integrated part of business education and its aims and contents.*<sup>13</sup>

<sup>10</sup> Universities with business studies departments or faculties.

<sup>11</sup> Universities without business studies departments or faculties.

<sup>12</sup> Steinbock, Dan (2003), “Suomen suurin riski: kansallinen innovaatiojärjestelmä, kansainvälistyvä liiketoimintaosaaminen,” Kanava 8, s. 404-410.

<sup>13</sup> Kettunen et al. (2003) Suomalaista kilpailukykyä liiketoimintaosaamisella – kauppatieteiden ja liiketalouden korkeakoulutuksen arviointi (Helsinki: FHEEC). See Abstract and Conclusions.

U.S.-based business schools have a central position in business education and research worldwide. They dominate international rankings, just like U.S. multinationals dominate worldwide trade, FDI, and R&D. The mobility potential in Finland indicates that these facts of business, education and research are familiar to most Finnish business schools, technology universities, universities, art academies, and graduate schools. By initiating and reinforcing mobility programs to the United States, the Academy of Finland shall not only boost the quality and internationalization of Finnish business education and research; it can also provide an important example nationally, while serving as a catalyst.

# APPENDIX Finnish Universities

Business schools (3):

- Helsinki School of Economics
- Swedish School of Economics
- Turku School of Economics

Technology universities (3):

- Helsinki University of Technology
- Lappeenranta University of Technology
- Tampere University of Technology

Universities (12):

*with business science departments/faculties*

- Jyväskylä University (Faculty of Economics)
- Oulu University (Faculty of Economic Sciences)
- Tampere University (Department of Business Sciences)
- Vaasa University (Faculty of Business Sciences)
- Åbo Akademi (Faculty of Economics and Politics)

*without business science departments/faculties*

- Helsinki University
- Joensuu University
- Jyväskylä University
- Kuopio University
- Lappeenranta University
- Turku University
  
- National Defense College
  
- Helsinki Collegium for Advanced Studies

Graduate Schools (10):

- Finnish Graduate School of History
- Finnish Postgraduate Program in Economics, KAVA
- Finnish Doctoral Program in Business Studies, KATAJA
- Langnet
- The Graduate School on Cultural Interaction and Integration and the Baltic Sea Region
- Legal System in Changing Society
- Tampere Center for Social Sciences, SOVAKO
- National Doctoral Graduate School Consortium in the Administrative Sciences, VALHAL
- National Graduate School for Political Science and International Relations, VAKAVA
- Changing Communications