
THE ECONOMICAL AND SOCIAL IMPACT OF SZÉCHENYI ISTVÁN UNIVERSITY (GYŐR, HUNGARY) ON REGIONAL DEVELOPMENT

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Abstract. Nowadays higher education is a key strategic resource in the globalized, knowledge-driven economy for achieving economic success. Higher education institutions can only be successful if it becomes at once local, regional and national actor of the economy. The aim of this study is to present some example and strategies, how the Széchenyi István University could become an important factor of regional development, in the view of Hungarian educational system and its changes. In the centre of the study are the Széchenyi István University and its regional politic, marketing strategies about cooperation with companies, local inhabitants. The University is actively engaging with its own region. It could contribute to the regional development and the region could ensure stable and predictable operation for the University. It requires from the University to have an integrated marketing strategy for local and regional relationships. The authors cannot discuss all of the strategies in this paper, instead would like to present shortly the local effects and importance of the University. The authors overviewed the university strategies and could add some conclusions. The effective cooperation with the local governments and the budgetary organizations will bring to the institute a bigger scale of developmental opportunities. The offered education and the better marketing communication, regional embed and regional partnership can be the main elements of the successful strategy.

Keywords: regional development, higher education, knowledge-driven economy, marketing strategies, economic and social factors, West-Hungarian Region, strategic resources, competitive factors of universities.

Jel classification: O18

1. Introduction

The development in the information technology and in the telecommunications weltered in the 20th century had changed the economic and social relations in the world of globalization basically. Today the knowledge has already meant the economic and political centres, the base of the society is the knowledge society, and the direction of the capital investments is the knowledge capital. The most important institutions of the society based on knowledge have become the institutions dealing with the production, the distribution and the reproduction of knowledge. Nowadays this role is occupied constantly by the educational institutes, within this the higher education. The role and the function of the higher education institutes revalu-

ate world through nowadays and as a result a new aspect of economic and social roles and functions have appeared. These impacts are felt in Hungary too, where demographical changes and reforms in the higher education in the last years change the state of the educational system. This paper aimed to present some aspect how could a countryside Hungarian university become more and more important and have positive effects on regional development. Other aims were firstly to make proposals for the future plans and some conclusion, which can be useful for the university and later to discuss, secondly to summarize the last years experiences. This paper is not about discussing all of the strategies, but to present shortly local effects and importance of the strategies. To present these strategies, methodologically the authors over-

viewed and analyzed secondarily trends from national and international papers and their earlier measures about the topic.

The paper structure is the following: before introducing the connection of high education and regional development the authors assumes to understand the Hungarian trends, the history of Hungarian high education system, main trends, and the finance and institutional structure. After these above is written about new challenges for high education and for students, also local and regional challenges. There is a bit more part about the Széchenyi István University introduction, to figure out how it increased to an important high education institute. The last segments of the paper are about marketing strategies, and about the university cooperation with inhabitants, companies, and town, Győr.

Higher education is a key strategic resource in the globalized, knowledge-driven economy for achieving economic success. So today a higher education institution can only be successful if it becomes at once local, regional and national actor of the economy. The Hungarian higher education system is being reorganizing tiredly after the regime change, and it has many structural and financial problems. The main failure of the last twenty years governance, that the higher educational politic has not been connected to the regional development politic. But there is some positive example, how can play a University an important role in the regional development. Győr is one of the most quickly developing cities in Hungary. Széchenyi István University at Győr plays a very important role. The University is actively engaging with its own region. The presence of world's largest engine plant, the Audi – which is a global company at the premium segment – and the concentration of the automotive industry in the region create new kind of opportunities and expectations for the City and the University. Recently the foundation stone of the new factory resulted Győr become a vehicle factory with the whole vertical processes of car manufacturing, and it means new challenges too. The major quality-industry, Győr, the University's collaborative, joint development directions is a possibility in which the knowledge and the roles have important meaning for success. It could contribute to the regional development, and could ensure stable and predictable operation for the University.

2. The Hungarian higher education

2.1. About the higher education system

Before the Bologna Process the Hungarian higher education had a dual system with colleges and universities. The duration of training at college level was 3-4 years; the duration of education at university level was 5 years (except medical universities where it was 6 years). A university could also offer college level courses. In this binary structure colleges granted “Főiskolai oklevél” (college-level-degree) and universities granted “Egyetemi oklevél” (university-level-degree), these were pre-Bologna degrees (NEFMI, 2008a). The Act LXXX of 1993 on Higher Education established two institutions to provide professional advice on the development and control of higher education: the Hungarian Accreditation Committee (HAC) and the Higher Education and Scientific Council (HESC). On 1 June 1999, the Parliament passed Act LII of 1999 on restructuring the Institutions of Higher Education and amended Act LXXX of 1993 on Higher Education. By passing the above law the number of state run universities and colleges decreased significantly. After Hungary signed the Bologna declaration (1999.), but since 2005 Bachelor programs have been offered at first in the technology and agriculture fields, later - from 01. 09. 2006. - Bachelor and Master Programs were offered in all fields of study. After that the higher education system is based on three consecutive training cycles. All these courses end up with a higher education degree, which are the followings: “Alapképzés” (Bachelor course), “Mesterképzés” (Master course) and “Doktori képzés” (Doctorate course). Some education programs are still conducted within one-tier (integrated) Master courses: veterinary medicine, architecture, dentistry, pharmaceuticals, law and medicine. Universities organize three-year PhD courses, specialized further education courses (with a normal duration of one to three years) and various continuous education courses. Since September 1, 2003 all higher education institutions in Hungary have used the European Credit Transfer System (ECTS) system. The first higher education degree is “Alapfokozat” (Bachelor degree) along with a professional qualification. A bachelor course takes 6-8 semesters and it requires the completion of 180-240 credits. The second higher education degree is “Mesterfokozat” (Master degree) along with a professional qualification. Built on a Bachelor course it requires the gaining of 60-120 credits. The length of the program is 2-4 semesters. A one-tier master course takes 10-12 semesters and it requires the completion of 300-360 credits (NEFMI, 2008b). The number of students admitted to higher education is limited. The ranking of applicants is

based on their secondary school grades and their "Érettségi vizsga" (secondary school leaving examinations') results or based solely on the latter, considering the interest of the applicant. The two-level secondary school leaving examination was introduced in 2005. It replaces the entrance examinations in higher education.

2.2. The main trends of Hungarian higher education

According to the census held in 1990, in Hungary only 10 % of the population under 25 gained an advanced level qualification that was much lower than the North and West-European practice. That was the reason for the remarkable quantitative development of the Hungarian higher education in the '90s. The base of this action was partly the high rate of those born in the mid '70s, who took their final exam in the '90s. However, because of the demographic change, this growing tendency turned round, 1999 was the peak year, considering the past final exams, and since then this number has been continually decreasing (Katona, T. 2006 p. 143). On the other hand, besides the growing number of students who take part in secondary education, there was a growth in the rate of secondary school students who would have liked to study on after final exam. Nevertheless, this rate cannot grow arbitrarily, in the West-European countries it was 50% at the most, and by the millennium the Hungarian average had come up with the European one. In the first years of this boost, typically among the full-time first grade students there was a lot who took their final exam not exactly in the previous year, but earlier. So due to the lower entrance rates of the previous terms and the expansion of the entrance frame numbers, a significant part of the students who could not continue their studies right after their final exam could gain a place at a higher education institute. This reserve had exploited by the mid '90s (Katona, T. 2006 p. 148). At the beginning of the '90s the number of students who had been studying at correspondence courses started to grow quickly, which was attributed to similar causes mentioned above. Those, who previously could not get into colleges or universities but their lifestyles did not allow them to continue their studies at full-time courses, they chose correspondence education. In the recent years the headcount of this group has started to decline as well, because who wanted to study on, could do so earlier. Currently, rather second degree educations offer a base for the correspondence courses. All in all, we could say that the reserves of the headcount of higher education

have exploited after the millennium. On one hand, the demographic boost has slowed down; moreover, the number of the youngsters shows a well-known declining tendency. On the other hand, the other reserves have depleted as well; the rate of secondary education students who study on could not be boosted any longer, only if we develop secondary education. And the number of those who continued their studies as an adult because earlier they did not have the chance to do so as a result of the tight frame numbers has decreased as well. What's more, similar to more West-European countries, demographic forecasts are unfavourable. It is well-known that at the time of the millennium, quasi half of the students who had applied to a higher education institute could get into one of the institutions. In 2000, this rate was more than two thirds. Furthermore, in 2008, the entrance method excluded the quality selection from the system because 96% of the applicants could enter one of the institutions – so with a solid exaggeration it can be said that who had applied was admitted as well. The reason for this was the plan to introduce tuition fee (development contribution) and the introduction of the prep language education as well. Among other things, that's why in 2009 there were approximately 30% more applicants for higher education than in the previous year. In 2010 the number of those who took entrance exams did not change considerably. Public higher education institutions get the funds needed for their operation from the central government budget so they are financed by the whole society through the state redistribution.

Between 1960 and 2006 the number of first year students in primary school and the number of first year student in higher education are the follows:

- number of primary students decreased
- students in higher education systems significantly increased
- since 2002 there are less primary students in the first year than higher education students in their first year. Main causes are demographical (less children in the families) and high education changes (Lannert, J. 2008. p. 277).

What's more the institutions can have own incomes as well, which can link to their operation, but the institutions can engage in additional activities too (e.g. research and development, services), and last but not least they can also use tender funds. In Hungary the demographic status of the country has created a very hard competition at higher education. Figure 1 shows the tendencies of the decreasing number of primary school and higher education students. As a result of the Quan-

titative development in higher education started in 1990, the number of students increased from 108 thousand to 424 thousand, and reached a peak in the 2004/2005 academic year. Since then the number of students has declined steadily, and the number of young people shows that this process will continue. In 2016 the number of those under 18 will be 15% fewer than in 2000 (Lannert, J. 2008 p. 278). The Hungarian higher education has to meet both the challenges of internal demographic situation and the external competition in the European Higher Education Area at the same time. It has to do all this to be able to adapt the changing needs of labour market and the new types of market demands of knowledge-based economy at the same time. The situation is improved by the impact of the world economic crisis too.

2.3. Finance and institutional structure

According to the data of the Ministry of National Resources, at present, there are 70 higher education institutions in Hungary, from which 19 are state universities, 7 are non-state universities, 10 are state colleges and 34 are non-state colleges (NEFMI, 2011). The non-state institutions run as church institution or run by foundations. The institutions are separate economic organizations in the sense that within certain legal frames they can use their diverse incomes autonomously to finance their operation. With the higher education law which was put into force in 1993 the finance of the governmental institutions on normative grounds was introduced (Polónyi, I. 2002). The main source of income of higher education institutions is the quota grounded on their performance, which they still get after the number of their students. This clearly depends on the headcount of the students. However, the main expenditures of the institutions do not depend on the number of the students, because the maintenance and the actuation of the buildings, the acquisition of the lab accessories and the educational assistances, and moreover the number of the lecturers result fixed costs either in midterms as well. Therefore the fluctuation in the number of students or rather some classes with smaller head numbers can easily cause financial problems in the given higher education institution. Therefore the institutions are interested in exploiting their extant capacities as much as possible or sometimes beyond this border. For this purpose higher education institutions adapt marketing tools as well (e.g. image building, PR activity and advertisements). The biggest disadvantage of this system is that its interest is to let more and more students get into the higher education and to keep them as well and as a consequence this, the system is not optimized in accor-

dance with the level of social utility. Due to political reasons the government do not tackle the sorting out of higher education institutions and the places offered by them, even though they are aware of the decreasing number of youngsters therefore the mass education will turn to over education that will lead to the destruction of its quality. Besides that this system costs too much for the government – and consequently for all of the tax payers irrespectively of their level of education – it does not even operate with an eligible efficiency. Structural disproportions manifest in the education, as in contrast to the claims of the labour market, those qualifications dominate that are demanded by the applicants. The frame numbers of education are not divided accordingly. Many people judge this system because in the education form founded by the state the education is not only free of charge for the students but they can receive, at the expense of the central budget, allowances upon various grounds (allowances that they can obtain at the ground of human rights, scholarship, regular and extraordinary social supports, housing contribution, scholarships for significant activities, contribution to buy notes and so on). If we also add to this the operation costs of the hostel board, then according to the estimates these contributions can put out the 17-19% of the governmental contributions spent for higher education. (Polónyi, I. 2002.)

2.4. Higher education efficiency

High education has more effects of the economic growth and competitiveness.

In the National Competitiveness Council's view, the competitiveness remains a foundation for national economic and social progress. The overarching goal of national competitiveness is to improve living standards and quality of life by enhancing the ability of the enterprise base in a county to trade in international markets (Balkyté, 2010).

Jafarov and Gunnarsson (2008) suggest that government spending on health and education could be reduced without undue sacrifices in the quality of these services.

Expenditures on higher education systems made an important role in improving economic growth and development. It is familiar that public educational expenditures significantly improve growth performance and confirm a positive role between educational attainment and economic growth. Countries with more educated labour have tended to grow faster over the post-1960 period. At the same time, expenditures on higher education signify an important tax burden on taxpayers. The efficiency with which inputs produce the de-

sired outputs is thus an important public policy issue (Obadic, Aristovnik, 2011).

3. Connection between higher education and regional development

3.1. The importance and role of knowledge in the changing world

The development in the information and the telecommunication technology took place in the 20th century basically changed the economic and social relations in the world of globalization. While in the middle ages the huge agricultural estates were the economic and political centres, the base of the society was the agricultural society, and the direction of the capital investments was the agrarian sector, in the modern history the economic and political centres were the industrial ones, the industrial society became the base of the society and as for the capital investments, the industrial capital became the main direction. In the history of nowadays, which is also called as the newest history, the knowledge centres are the economic and political centres, the base of the society is the knowledge society, and the direction of the capital investments is the knowledge capital. The institutions dealing with the production, the distribution and the reproduction of knowledge became the most important institutions of the knowledge-based society (Bana, K. et al. 2007). Nowadays this role is increasingly occupied by the education institutes, among them the higher education. The role and the function of higher education institutes have been reevaluated worldwide nowadays and consequently a new aspect of economic and social roles and functions have appeared.

3.2. New challenges in higher education

In the age of our economy there is a growing significance of the interaction of the society, the universities and the industry. The society based on knowledge is the condition of all transfer of knowledge on an individual and an organizational level. We live in a network-oriented society, where the development depends on primarily ability to cooperate. Earlier the condition of development were the more and more specialized research and education, therefore we should penetrate deeper and deeper into the certain fields of science. Instead of this, today the expansion of contacts, the communication and the cooperation are more important and through the chances reside in them; the approach of a given problem can be done from different point of views and competencies. All of this follow from the change of the technological

and the social paradigms: till earlier a given product and the technology used for its production were in the focus, today the theories, the conceptions, the ideas and the solutions are the main parameters (Rámháp, Sz. 2011a p.4).

3.3. New expectations for students

There is a growing significance of interdisciplinary, because in our days one can be an expert of his or her field or occupation in vain, he or she can only reach a really quick development when he or she has an overview of other fields of science or has the capability of cooperating. This challenge exists not only in the business sector, but among university students as well. The preparation of students for the multidisciplinary work is important through different researches and teamwork opportunities. The significance of intercultural challenges has appreciated. However, to establish conferences and researches which exceed the borders of nations, it is important to have a common language that everybody knows. Today it is the English in most cases. But beyond the common language, there are other obstacles of intercultural work, such as cultural and other problems.

3.4. Higher education institutions and local and regional challenges

The changes happening in the society and the economy have serious consequences on higher education as well and they convert the relation of the certain institutions and their region. It is hard to find a solution for the problems of the globalized, strongly competitive and knowledge-driven economy without convergence. A more differential politics can result development which leads to essential changes in the conventional functions of the state and through workforce it boosts the spread of networks. Only more flexible and more adaptive new institutional structures are able to bring together the different interests. These could be the answers to such complex and multidimensional social problems like regional development. Supported by the politics of the EU, the partnership of the social and the private sector has been becoming the common speciality of the regional level in many European countries (OECD 2007. p. 27). The conception of social capital should be built in the governance to make community actions more effective. This can be identified as the main factor of a successful region, and it can boost the development of the ability of political institutions to solve problems. Regions need properly qualified workforce to mobilize and exploit their

sources, boost the growth, develop their competitiveness and keep their extant investments. The regional participants contribute in different ways to the non-financial advantages of the region; the collective work in turn helps to develop the regional knowledge, the abilities, the culture and the institutional consistence. Universities play a central role in the reproduction and adaptation of human workforce and in the production of social capital so they have a growing significance among the regional participants. The role of higher education institutions is acknowledged considering the supporting of regional governance (Hudson, C. 2006 p. 6). In the knowledge-economy education is a main strategic source through human capital to gain economic success. So the pressure on the regions has been continuously growing to become studying, knowledge producing communities which focus on the constant development, the production of new ideas, corporate learning and the transfer of knowledge, and doing so supporting regional development and welfare. This entire means that a more prominent role should be attributed to universities as the centres of knowledge in strengthening economic growth not only at a national but also at a regional level. The claims have shifted towards exploitable knowledge and its dissemination.

4. Széchenyi István University

4.1. About the University

Széchenyi István University is the dominant institute of the region of Győr. Regarding the foundation of the Technical College of Transport and Telecommunication which was the predecessor in title of this institute; a decision was made in 1963. This college began to operate in 1974. Since 1986 this institute has been named after István Széchenyi and it has got a university grade since 1st of January 2002 (Széchenyi István University, 2005). The conventional technical education has been flaring since the establishment. In 1995 the university launched faculties of health studies and social science to suffice the demand of the town and the region. With the integration of the Teacher's Training College of Liszt Ferenc College of Music Arts in Győr; there has been a musical qualification in this institute since 1996. Since 1998 there has been an independent economic education. Since 1995 there had been a faculty of law at the department of State and Jurisprudential of ELTE in Győr, which has been operating separately since 2002. So at the moment there are qualifications on 3 faculties (technical, economic studies and law faculties) and on 2 separate institu-

tions (musician arts and health studies). In 2004 the Multidisciplinary Social Studies and in 2005 the Multidisciplinary Technical PhD Schools were accredited and right after that, these schools began to operate (Széchenyi István University, 2011a). Today this institution has already had more than 40 accredited qualifications and the number of its students exceeds 10 000. In the mission of the institute from the beginning there is a consciousness of regionalism because the institute itself is inspired to serve the niche in the qualification of the region. Accordingly the main aspiration of this institute is to become such a centre of knowledge which can serve its region with its supply of qualification, research and development - and through this the country as well (Rámháp, Sz. 2011b p. 6). The institute's development plan which is in force at present says that „the mission of the university is determined by the claim of the economy and the citizenship of the town today and in the future as well to offer studying facilities in more and more faculties, technical fields and qualification levels for more and more youngsters living in Győr and around Győr by sufficing the claim of the region's human resource to build a society which is competitive and is able to renew”. This target is reflected in the present operation of the university as well. It can be clearly seen in figure 1. That the locality of this institution spreads to all of the country, but most of the students come from that part of the “Dunántúl” (Transdanubia) which is on the North from Lake Balaton. This almost covers the NUTS2 planning and statistic regions of the “Nyugat-Dunántúl” (West-Transdanubia) and the “Közép Dunántúl” (Mid-Danubia).

In this area we can find those areas of the country which are the most developed ones considering economic and social life. If we don't take into consideration the capital and the Mid-Hungarian region, the economy is the strongest here in Hungary. Among others the largest vehicle production centre of the country can be found in Győr in which centre we can find the Audi factory, the main producer of our country. The regional role of higher education institutes can be active or passive. While the traditional big universities have more than 30.000 students which represent a significant economic potential on their own environment as well; state contributions spent on higher education and the spending of the students who were attracted from other areas will boost the economy of the given area. This also contributes to the regional development but it only means a passive role.

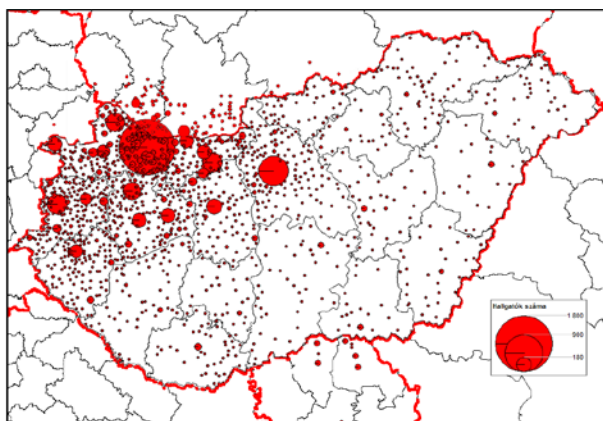


Fig.1. The admitted students of Széchenyi István University, breakdown by place of residence (Tamándl, L. 2011a)

In contrast Széchenyi István University has to shoulder an active regional role. The basic condition of this is the creation of regional embeddedness and regional partnership. Since 1990 the expansion of higher education has begun and it has gone hand in hand with the growing number of institutions parallel to the growing number of students. To equalize the regional differences the government supported the establishment of new institutions and new qualifications as the tool of regional development policy. This however meant an economic policy which was ruled from above, and its target was some kind of redistribution to equalize the regional disparities. The biggest problem was that this method did not take the local and the regional claims appropriately into consideration. With the decreasing number of youngsters most forms of qualification which was launched at that time, today are in a difficult situation and there were some that had to integrate into another bigger institute. In contrast the target of regional policy cannot be the redistribution among regions and the equalization of developmental disparities but to foster the self-development of regions in which higher education has an important role. The existence of higher education institutes is tightly related to regional development and their absence could contribute to the decline of a given region. In appropriate circumstances higher education institutions can have an advantageous effect on regional migration because they foster the entrance of the youngsters into higher education and the highly qualified workforce with degree can have a positive effect on the employment and contributes to the shaping of other advantageous specialities such as the widening of the cultural climate and the creation of more attractive living conditions in the region. Through knowledge and expertise higher education institutes facilitate the creation

and mobilization of the most important resources. So it can be seen that higher education institutes can be the dominant actors of regional development without shouldering active roles in it.

4.2. The strategy of success – Active regional roles

Higher education institutions are able to suit their qualification programmes, the orientation of their researches to the claims of the region and with it to the direct demand. The result of this tighter cooperation will be seen in the added value which does not only bring profit for the higher education institute but for other regional performers as well. However we should not forget about that the different types of higher education institutes fill different positions in the national and regional education system therefore they get into other interactions with the local and regional communities. A good example of this is the Széchenyi István University which suited its whole qualification palette to the workforce claims of the region. The establishment of the predecessor in title of Széchenyi István University was forced by local economic and labour market claims in the '70s and this process strengthened the enlargement of the qualification palette and played a big role when the institution became a university in 2002 (Kovács, Zs. 2011).

The advantages connected to the embeddedness – see it below - were summed up on a conference by the deputy of the rector. The embeddedness into the regional/local sphere means a chance for the higher education institution which is worth exploiting:

- The local sphere (local governments, local politics) has a growing sensibility to higher education
- Local governments dispose minimal resources of support but once a while they are givers (for example buildings, parcels, common investments)
- The local/regional economy appears with changeable intensity to be a research or educational procurer; the market has not evolved and institutionalized yet but there are some progressive signs (Regional Centre of Knowledge, Centre of Cooperation Research, for example Audi clusters, institutional relations)
- The local society is proud of its higher education, the huge number of graduates is an important element of marketing but it has not been a Maecenas and a supporter yet as the forms of this are shaping now, and communicational in-

stitutions (charities, senior student organizations)

- The effect on the local economy has not evinced yet, but it can be significant on the housing market, the commerce, the hospitality and the cultural consumption; tourism (for example conference tourism) it is not perceived; volatility in the behaviour of students (for example: travelling home)
- The embeddedness into the regional development is weak, occasional, it appears in the developmental conceptions but not with a huge weight, the participation is low
- The contact of the higher education policy, the local policy and the science policy is unambiguous and not clear (there are only signs but the results are missing) (Rechnitzer, J. 2011)

The basic condition of regional embeddedness is regional partnership. This means that all of the regional performers cooperate with other performers in favour of the development of the region. In this the university has a significant role through the partnership with the local governments, the local enterprises and the inhabitants. I will introduce the role of Széchenyi István University according to this.

4.3. Cooperation with the town

Széchenyi István University has a really good relationship with the town of Győr which has a county grade. The town takes part in the Pólus-Program. According to the Pólus Plan the strategic direction of Győr is the following: the Operating Program of Economic Development of the ÚMFT Győr–Autopolis: Production of vehicles with the development of the capacity of suppliers and logistics and with the exploitation of renewable energy resources (Filep, B. 2008). On the way of boosting the competitiveness of Győr the main target is the innovation that derives from higher education and the different results of researches. During this the main cooperative partners are research labs, companies and higher education institutes. Since this area concentrates on the development of vehicle industry and the field of activities connected to that Széchenyi István University has become a strong partner in the realization of this strategy (Tamándl, L. 2011b p. 108). Besides it is also important to create a liveable town by supporting the appropriate vocational trainings and the development of the infrastructure. The university unequivocally cooperates with the targets of the city and strengthens the qualification in vehicle industry building on the faculties of mechanical engineer, mechatronic engineer, electrical engineer and engineer-informatician. The institution recently

has won more tenders which were opened by the ÚMFT and in the frame of this during 2 years nearly 8 billion HUF was realized for infrastructure development with the support of the EU (Széchenyi István University, 2011b).

4.4. Cooperation with companies

The possible level of connection between higher education institutes and the industry:

- Connection between products, services and results: The advantage of the common activity comes from the combination of the services of the company and the educational and research activity of the university. A typical example of this when the university is the subcontractor or strategic partner of a company which transports products or services to a third partner (eventual consumer)
- Connection between resources: In this case the partners see it as an opportunity to share employees, resources and financing in the frames of an R&D project. The university gets financial support for the R&D from the company who enjoy the results of this.
- Connection between products and services: This can happen when the members of a company extend their qualification through lifelong learning at the university and the university invites the employees of the company to become part-time lecturers. (Hansen et al. 2009)

Széchenyi István University cooperates with several small and big companies operating in the region and all of the levels mentioned above are present in the relations. From the several companies AUDI HUNGARIA MOTOR Ltd. emerges as it is a significant company both in the area and in the country. Since the autumn semester of 2008 the professorship named after the Audi has been operating. From the foundation of this both partners will gain profit in the long run. The university hopes that the engineers graduated here will get - build upon the know-how of the big company of Ingolstadt- such a qualification with which they become attractive on the labour market. In turn the Audi hopes that it can enlarge its circle of employees with excellently qualified experts; thereby strengthening further the position of its premise in Győr which is now the largest motor factory in the world.

4.5. Cooperation with the inhabitants

Széchenyi István University tries to serve the inhabitants of the region and the boom of the area not only with the satisfaction of the demands of the labour market. The university tries to fill its

role through its scientific and cultural activity. The “Széchenyi Tudományos Est” (Széchenyi Scientific Evening) which is a series of programs for the inhabitants of the area during which a couple of the university teachers give presentations in a common way regarding their own field of science. The “Nyugdíjas Egyetem” (Pensioner University) programs address the elder age-group in a similar way while the “Junior Egyetem” (Junior University) addresses the children (Széchenyi István University, 2011c). The common urban-university Agóra Pólus Project with the building and operating of an interactive scientific playhouse would like to guide the children to the direction of scientific and natural science. The Institute of Musician Arts which belongs to the university has a concert hall in which several classical music concerts and other programs take place. The sport institutions of the campus in turn are waiting for urban target audience as well besides the students. The university infrastructure gives home to many conferences and exhibitions from the region. The “Egyetemi Napok” (University Days) program has become a festival organized by the university together with the town. The “Hallgatói Klub” (Club of Students) is waiting not only for the university audience but for urban youngsters to take part in its safe and cultivated programs.

5. Conclusions

As we could see, higher education is facing several new challenges worldwide. The claims against knowledge, the institutions and their students and teachers are changing. We should suffocate the claims of another type of society and economy in another way. Moreover, the Hungarian higher education faces further challenges as well. The Hungarian institutions get into a serious competition situation because of the decreasing number of youngsters, the present system of institution financing and the bad institutional structure. For the countryside institutions it is hard to meet the requirements of this competition. Széchenyi István University as a young institution has to meet the expectations of this competitive market. Its creation, qualifications and operation is different from the conventional Hungarian higher education institutes. This shows a new type of way in the strategy of the institute. The key of the subsistence can only be if the institute cooperates with other performers of the area and takes part actively in the further boost of the region. The appropriate qualified workforce, the R&D potential and the well-directed developments help the enterprises' settling down, the creation of new companies and the

boost of local industry and economy. This creates more workplaces in this area. The well-shaped qualification structure ensures a workplace for the students graduated at the university in the region, which can make Széchenyi István University attractive to them. We could see that the inhabitants of the region and the number of local secondary schools can mean new supplies for this institution. A more effective cooperation with the local governments and the budgetary organizations will bring to the institute a bigger scale of developmental opportunities. Besides the offered education which is better than its competitors' ones and the better marketing communication, regional embeddedness and regional partnership can be the main elements of the successful strategy. It can help higher education institutions to be successful in the higher education market.

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