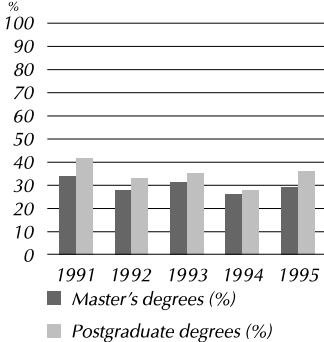


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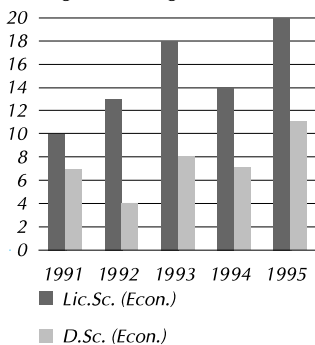
ANNUAL REPORT

REVIEW BY THE RECTOR

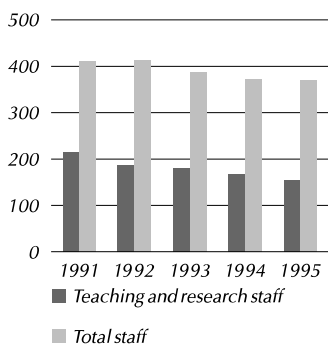
Helsinki School of Economics's share of degrees in economics and business administration in Finland



Postgraduate degrees 1991 - 1995



Staff 1991 - 1995



Economic growth in the major economies of Europe slowed during the second half of 1995. As a result, exports from Finland to the other countries of the European Union also declined. Strong growth was apparent primarily in the countries of East and Southeast Asia where the markets also offered growth potential for exports by Finnish companies. Once again, domestic demand failed to recover as expected. The economic outlook is of course important with respect to the job opportunities available to students who have recently completed their basic degrees and also has bearing on the kind of education students choose to pursue. While banks and national wholesale and retail chains were key employers of our graduates until the end of the 1980s, job offerings in these sectors are now minimal.

The service sector continues to provide employment for recent graduates, for example in accounting and auditing. Demand is also emerging in entirely new areas such as digital communications and multimedia. These new areas often permit establishment of new companies without significant capital.

The new university funding model poses a challenge

Last year witnessed the introduction of a new funding model that will have powerful impact on university finances within a few years' time. The Ministry of Education has converted to a model based on output instead of input. Universities will have to set degree targets for both basic and graduate programs and funding will be allocated accordingly. In consequence, there will be transfers of funds between degree programs and research fields. The Helsinki School of Economics and Business Administration (HSE) could readily find itself on the losing side in this process. Our relatively heavy cost structure is the reason; examples would include the library, language instruction and the data processing organization.

Efforts must also be made to raise the targets for basic and graduate degrees. The first stage will concentrate on coordination of the required courses offered during the first three semesters so that timetable conflicts are eliminated and business administration courses are co-ordinated with language instruction into rational semester-long entities.

The second stage will work through the following three semesters on the bachelor's degree in similar fashion. We hope that the end result will permit students to proceed at a reasonable pace, completing the bachelor's degree in three years and then continuing at the master's level either directly or possibly after having worked for a time in business and industry.

It would seem evident that at the present annual intake of 410 students even the most effective coordination will not provide the number of degrees required to assure basic funding. The dropout rate for the basic degree has consistently exceeded 20 percent. We must decide as soon as possible how we can attract a sufficient number of students from other programs and universities to assure that the number of master's degrees granted annually is approximately 370. Moreover, we should not forget those enrolled in the doctoral program. We recently raised the target number of doctorates from seven annually to ten. Of course the availability of basic funding can also be improved by raising this target.

Veikko Jääskeläinen

Veikko Jääskeläinen
Rector

THE HELSINKI SCHOOL OF ECONOMICS AND BUSINESS ADMINISTRATION IN 1995

The Helsinki School of Economics and Business Administration has a key role to play in society; to promote and engage in free, critical research in its areas of concentration and to offer instruction based on such research. HSE also serves society by offering further education and supplying information and maintains close links to the business world.

An active program of high-quality research

A major goal at HSE in 1995 was to increase research of a high international standard and to apply research findings in teaching. In practical terms, we seek to increase the publication of articles in high-quality refereed journals. This can be achieved by improving the climate for research and by developing collaboration with a wide range of institutions and universities.

The number of publications has increased steadily in recent years, and in 1995 HSE researchers and teachers published a total of 222 scientific articles, research reports and conference publications during the year under review. 51 articles of these were published in high-quality refereed journals.

The availability of research funding from the European Union will affect research at HSE in many ways.

Key Figures for the Helsinki School of Economics and Business Administration in 1995

Master of Science degrees	364
Licentiates	20
Doctorates	11
Students in the M.Sc. program	3249
MBA's	60
Continuing education programs	261
Personnel	370

The Union's support focuses on extensive research projects involving scholars from several EU countries. It also supports joint projects with eastern European countries.

Now three programs for high school graduates

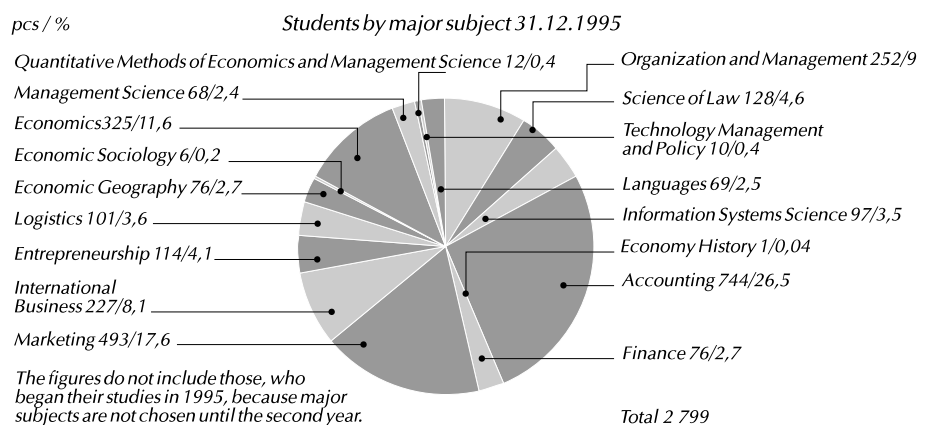
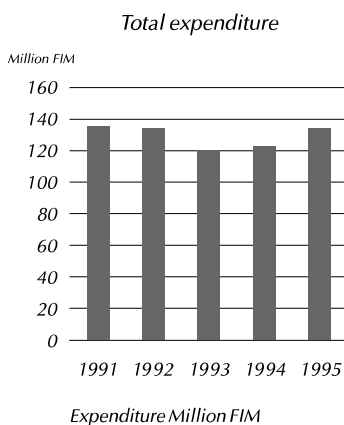
The Helsinki School of Economics and Business Administration offers post-secondary education in three programs. The M.Sc. program was pursued by 3,249 students at the end of 1995. A new statute on degrees providing for a B.Sc. program took effect on August 1995. The international Bachelor of Business Administration program (BBA) is a two-and-a-half-year English-language program with an enrollment of 296 students at the end of the year. The annual target for the M.Sc. degree set for 1995-1998 is 330. In

1995 364 M.Sc. degrees were completed. This figure exceeded the average target by a considerable margin. Seventy-eight students completed the B.Sc. degree in 1995.

The quality of HSE degrees depends on continuous improvements in teaching methods. Efforts to achieve this end have been diverse. In many subjects measures to promote contacts with the business world and to activate teaching have been undertaken. Methods designed to make teaching more effective have been emphasized and supported; cases studies, group work, visits to companies and mid-term tests are the most frequently used.

In recent years HSE has focused increasing attention on evaluation of the entire educational process, and especially teaching. Students evaluate each course at its conclusion. Teaching received an overall rating of 8.43 on a scale ranging from 4 (poor) to 10 (excellent).

The readiness of university students to found their own businesses should be increased. This need is being met with training in entrepreneurship offered to both our own students and to those of other universities. About one hundred students completed such programs in 1995.



Admission through SAT and the English Track

The first opportunity to enter HSE through the Scholastic Assessment Test (SAT) was offered in 1994. In 1995 252 prospective students took the test, which provides Finns who have acquired their basic education abroad and foreigners proficient in English with a natural means of applying for entrance. SAT qualifies applicants receiving sufficiently high scores for either the Finnish-language M.Sc. program or the English Track, which was attended by thirty-five students. The English Track offers the B.Sc./M.Sc. degree programs in English.

A growing demand for adult education

Apart from basic and further education in business administration, HSE offers adult education to other target groups. General programs and courses tailored for individual companies are offered to persons already working in business, particularly in management and specialist capacities. The general public is also being offered an opportunity to attend university-level courses outside the degree programs proper. Course offerings by units providing adult education increased during the year. Interest on the part of companies in human resources development is again on the rise; this is especially apparent in the growing demand for customized courses.

Other gratifying accomplishments include the International Center's MBA program and the growing recognition it has achieved and the growth of the Small Business Center - thanks to programs supporting exports to neighboring areas - into one of the major providers of training in the St. Petersburg region.

In recent years the Helsinki School of Economics and Business Administration has made a concerted effort to develop its relations with society at large. Here, too, we have achieved considerable success: both individual departments and our university as a whole have developed many new approaches to collaboration with the business world and other sectors of society.

The Helsinki School of Economics and Business Administration (HSE) is an independent state institution of university standing. It engages in economic and business research and education. HSE is the largest of its kind in Finland with respect to both student body and personnel. The Helsinki School of Economics and

Business Administration was founded in 1911.

During our 84-year history, we have conferred 18,000 postgraduate, graduate, or undergraduate degrees. Both Finnish firms and foreign and multinational companies show keen interest in recruiting our graduates.

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