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# Against The Tide

An Interview with Danica Purg, the director and the driving force of region's leading business school, IEDC in Bled, Slovenia

**E**very year, tourists from around the world come to Bled, Slovenia to take in picturesque views of its lake and town and catch a break from the worries of everyday life. So it would seem a strange place to tackle the sort of tough business issues that are the focus of courses at the IEDC Bled School of Management. But since its inception in 1986, the IEDC has thrived in a world of such juxtapositions. In a Yugoslavia that was focused on public ownership, IEDC was private, and in a Slovenia that was tackling the task of nation-building, IEDC remained firmly focused on the international.

The school has boldly gone against the grain for over two decades, with its feisty and determined dean, Danica Purg, at the helm. Educated through the doctorate level in the public university system, Purg has risen to become an international leader in business education throughout Central and Eastern Europe, and even sits alongside Russian President Dimitry Medvedev as part of the advisory board of SKOLKOVO, a new private school of management in Moscow. She has built bridges between nations and introduced some prominent business minds to the region at a time when its only real claim to fame was as a political "hot zone."

In light of the dramatic downturn in the global market, SEE Business decided to contact Professor Purg (who responded by email) to find out how she and the school are confronting these challenges as a private institution, and how they may be rethinking the education of the next generation of Southeastern European managers.

**IEDC is a business school, but it is also a private company. How are you dealing with the economic downturn, both as a business and as an institution of higher learning?**

IEDC is a private company, i.e. a shareholder company, with shareholders mainly from Slovene companies. I am happy to say that the attitude of our shareholders differs from what we see around us. They see their dividend in the high-quality education and management development that the IEDC offers, and understand the long-term impact of it. IEDC has also earned the status of a private higher educational institution – a faculty of postgraduate studies in management. This means that it is recognized that we meet all standards for it. However, we operate without any state support. We could get it from the ministry of education, but in that case we would have to define our tuition fee according to government rules, which would not fit us. The majority of our professors come from the best business schools in the world, and their salaries are much higher than ours. And this is reflected in our tuition fee (which is still much lower than in similar institutions in the West).

**How have you been affected? Has your status been a benefit or a hindrance?**

As we are an executive development institution and most of our participants are employed and already have responsible positions, IEDC immediately feels the ups and downs in the economy, in business areas and companies. This does not mean, however, that participation in our program goes up and down with these developments. It is just in such times of crisis or recession that some companies decide to accelerate education and training and in such a way create a still greater competitive advantage. However, we have to make more marketing efforts, particularly for stand-alone short programs, to get the same level of participation. We see also that the best market-



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ing is paying an even greater attention to the quality of programs and services and to offer content that helps to deal with the crisis.

**In what areas or ways are you improving the quality of your education?**

We have always followed the slogan “Only the best is good enough” in terms of content as well as the organization of our programs. However, now we are paying additional attention to the participants’ or companies’ specific needs in times of crisis, not just in our customized programs but also in open seminars and forums. For example the upcoming Presidents’ Forum, led by respected management thinker Dr. Hermann Simon, who has been referred to as the second most important management thinker after the late Peter Drucker, will deal with the ways that companies can improve their strategies and business processes in order to overcome the crisis faster.

**Please tell me how you see the role of managers in contemporary European society?**

It is clear that Europe faces much more competition today than one or two decades ago. However, Europe has the tradition and experience in dealing with competition. Europe survived and used the rising American economy, and later on the Japanese one. There is no reason why Europe couldn’t re-

spond successfully to the Chinese, as long as we continue to build on our strengths. Apart from our long tradition, knowledge, and infrastructure in the fields of trade and finance, our strength also lies in science, education, and research. The role of our leaders and managers in Europe is to further develop people, industries, products, and services from this basis, with a holistic view of the world, considering social responsibility and sustainability as integrative elements in their activities.

The most important thing in a time of crisis is that European companies don’t neglect their most important resource: the educated classes (according to Richard Florida), the knowledge makers (according to Peter Drucker)!

**Will this redefine the role of workers and the ways we work today?**

Anything that business leaders and managers are expected to do can’t be realized without educated and motivated workers participating actively in their organizations. In a world where we strive for efficiency and effectiveness, the contribution of everybody is essential, not only as a worker or an employee, but also – or even more so – as a citizen! Cohesion, cooperation, and solidarity will be the conditions to support and promote business success and social responsibility at the same time.

**Where do you think the school's philosophy and graduates have had the greatest impact?**

We are proud of our alumni being successful in different leadership positions, although primarily in business, but also in other areas. In Moldova, for instance, the Minister of Finance, Ms. Mariana Dulesteanu, is our MBA alumna and Mr. Iurie Munteanu, the Vice Minister of Economic Affairs, is our MBA alumnus.

**What do you have planned for the coming years? Where are the growth areas for the school?**

Our goal is to lead IEDC towards becoming a member of the first league of executive development institutions in Europe and in the world. We follow a niche strategy, which means a very innovative approach in teaching, and we can be one of the best in creative teaching in this field in the world. We are an innovative business school and we will certainly add new programs, always looking at what is needed in business and society. We plan to have more and more demanding seminars for international strategic leaders.

**I understand the IEDC is trying to internationalize the school's management board and develop a PhD program with the Copenhagen Business School. How are these projects moving forward?**

The IEDC is very active in this respect. As mentioned, the core faculty now contains seven nationalities (Slovenian, Croatian, British/Irish, Kazakh, Canadian, Belgian, Dutch) and the Supervisory Board three (the President is Dr. Erhard Busek, the former Vice-Chancellor of Austria, and one of the members is Mr. Riccardo Illy, the President of Illy Group of Italy, while other members are from Slovenia), so the internationalization of both the faculty and the governance of the school have progressed significantly. As for the PhD program, the program is completed, we have already selected the faculty and the project is ready for approval from the ministry of higher education.

**You can rarely mention "IEDC" without the name of "Danica Purg" next to it. What will IEDC look like when you're gone? How are you laying the foundation for the next generation of IEDC leadership?**

Since I'm still working on the development of the IEDC, I can't tell you how the IEDC will look after I'm "gone." I hope to be active in one or another role for the IEDC for a long time still. I could only show you that the IEDC today is already more than "Danica Purg" if something should suddenly happen to me. I hope that you still will have to wait some time for the answer. In the meantime, I work for the future every day. ■



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