

Austria

Demographics for Austria

Population:	8,184,691 (July 2005 est.)
GDP (by PPP method):	US\$255.9 billion
Currency (inc code):	Euro (EUR)
Language(s):	German (official nationwide), Slovene (official in Carinthia), Croatian (official in Burgenland), Hungarian (official in Burgenland)
Internet country code:	.at

Primary and secondary education

Education is compulsory for nine years and starts at the age of six. With the exception of education in private schools, compulsory schooling is free of charge.

Children aged six to ten years typically spend four years in elementary school (Volksschule). Subsequently they would usually choose among two options: secondary general school (Hauptschule) or secondary academic school lower level (Allgemein bildende höhere Schule – Unterstufe). Admission to secondary academic school depends on achievement or is conditional on an admission test.

Different tracks of special school (Sonderschule) cater for children with disabilities.

Having passed the eighth grade, students have to opt for one of the different courses offered at upper secondary level, either in the general or in the technical and vocational education sector. Transfer requires successful completion of grade eight and is also based on achievement. Candidates failing to meet the achievement criteria must undergo admission testing.

There are technical and vocational schools (three to four years) and technical and vocational colleges (five years) specializing in different subject areas, e.g. commercial colleges and tourism schools. The pre-vocational year (Polytechnischer Lehrgang) fills the gap until the end of compulsory education and is mostly followed by apprenticeships with part-time compulsory vocational school (Lehre). German, mathematics and a modern foreign language (mostly English) are part of the general mandatory syllabus for all school types.

Higher education

Universities and advanced vocational colleges

Higher education is offered at universities including the arts universities; Fachhochschulen (advanced vocational colleges); the University Centre for Continuing Education, and private universities.

In Austria there are 15 public universities, of which three specialize in medicine, two in technology, and one each in economic and social science, mining and metallurgy, agricultural sciences and veterinary medicine. Additionally, there are six arts universities and the University Center for Continuing Education (Danube University Krems). By August 2005, 11 private universities have been accredited, but less than 2 percent of students are enrolled there.

Professional schools

Further institutions of tertiary education are Pädagogische Akademien and Berufspädagogische Akademien (general and vocational teacher training colleges); Akademien für gehobene technisch-medizinische Dienste und Hebammenakademien (colleges for higher-level medico-technical professions and midwifery colleges) and moreover, there are a number of educational institutions which offer university-type courses.

Admission/application requirement

Applicants to university must hold a school leaving certificate (Reifeprüfungszeugnis or equivalent) from a secondary higher school. Depending on the course chosen, they may have to sit for supplementary examinations. From 2005, universities have the right to select students for some subjects, among them business administration. Still, universities must not curb the number of university places offered. Selection procedures can be realized before admission or within the first two semesters after admission.

All applicants to art universities have to pass an entrance examination. Candidates for an advanced vocational college, which normally requires an entrance exam, may either have a Reifeprüfungszeugnis or equivalent, or relevant vocational qualifications as well as additional examinations.

Degrees, cycles

University studies end with the following degrees:

- Diploma (after eight-12 semesters).
- Baccalaureate (six-eight semesters).
- Magister (two-four semesters after the baccalaureate).
- Doktor (four semesters after the Magister or diploma degree).
- PhD (eight semesters after the Magister or diploma degree).
- University programs ending with a Master of Business Administration (MBA), or another Advanced Master degree which is internationally in use.
- University programs with the designation of “akademische/r ... ” (i.e. “certified ...”).

The Austrian system has traditionally been two-cycle, i.e. the doctoral program followed the diploma. According to the Bologna process, Austrian universities changed to the three-cycle architecture (Bachelor, Master, Doctor/PhD). All new study programs have to be organized according to the three-cycle model.

Programs at advanced vocational colleges end with a diploma degree, since 2002 also with a baccalaureate and Magister degree, similar to the classification for the universities. Graduates of advanced vocational colleges are allowed to enter doctoral programs at universities.

For university programs, credits may be allocated for academic achievements according to the European Credit Transfer System (ECTS).

Student numbers

In winter semester 2003/2004, Austria had 254,084 university students of which 15 percent were foreigners and 51.7 percent were women. In the social and economic sciences, there were 64,848 students (or 25.5 percent of all students); 16.7 percent came from outside Austria, 45.7 percent were women.

At the same time, there were 20,591 students in Austrian advanced vocational colleges. In these institutions, the share of foreign and female students amounts to 4.2 percent and 38.4 percent respectively; 7,061 students (4.5 percent foreign, 52.3 percent female) studied in the business field, 969 (7.6 percent foreign, 73 percent female) studied tourism.

According to Eurostat, in 2003, the Austrian participation rate in education of 18-year-olds was below EU average (A: 69.4 percent, EU: 76.3 percent, USA: 57.2 percent). The percentage of the adult population aged 25 to 64 participating in education and training is relatively high (A: 12 percent, EU: 9.9 percent). According to the Austrian Ministry for Education, Science and Culture, at the moment 25 percent of each age cohort is enrolled in university or advanced vocational college. The share of the Austrian population aged 25 to

64 that has graduated from university or vocational college amounts to 6 percent (OECD average: 13 percent). With the younger age cohorts, this percentage increases to 10.4 percent in Austria.

Accreditation requirements

The Austrian Accreditation Council is an independent body initiated by the Austrian government. It accredits private universities and their study programs. Advanced vocational colleges need to have their study programs accredited by the FH Council (Fachhochschulrat). Public universities are not obliged to get accreditation.

Structure of business and management education

Degree titles and cycle times

Most degree programs at universities still follow the traditional Austrian structure. Students who finish first-degree programs lasting a minimum of eight to nine semesters are awarded a Magistra (female) or Magister (male) degree.

At the moment, five out of 18 programs from the business and economic field at Austrian public universities already follow the Bologna structure awarding Bachelor's and Master's degrees, i.e. in Austria "Bakkalaurea/Bakkalaureus" and "Magistra/Magister".

All degree titles from the social and economic sciences are followed by the supplement "rer.soc.oec", i.e. rerum socialium oeconomicarumque. Graduates of advanced vocational colleges have to add (FH) after their title. This abbreviation stands for Fachhochschule (advanced vocational college).

Graduates of Master's and diploma programs have the right to enroll on a doctoral program. These programs have a minimum duration of four semesters of studies. Recently, the first PhD programs have been launched.

In addition to the regular study programs, universities offer continuing education courses. These courses can be offered as postgraduate and undergraduate programs. Programs usually last three to four semesters and are part-time. Graduates earn the title of "akademische/r . . .", i.e. "certified . . ." or "academic . ..". This is accompanied by a description of the course finished, e.g. certified tourism manager, academic insurance clerk, etc.

For certain post-experience programs in business administration, universities and advanced vocational colleges have the right to award a "Master of Business Administration" degree.

Providers

For business and management education, Vienna University of Economics and Business Administration (Wirtschaftsuniversität Wien, also known as WU) is not only the largest institution but also the university with the longest tradition. Training about 20,000 students, WU is the largest business

university of the European Union. Additionally, the universities of Vienna, Graz, Linz, Klagenfurt and Innsbruck offer study programs in the business field.

All of these universities are public institutions, and all offer different kinds of programs. Furthermore, the Danube University Krems offers postgraduate programs.

Starting in the mid 1990s, advanced vocational colleges and private universities have emerged thereby creating a more differentiated market for academic programs in all fields.

By 2004, Austria had 22 advanced vocational colleges with 150 different programs (48 of which are business oriented). These institutions are jointly financed by the Federal Ministry for Education, Science and Culture, regional governments and assorted providers. Providers are mostly private limited companies (Ges.m.b.H), but also private associations and public entities. Study programs in vocational colleges have to get accreditation from the advanced vocational college council (Fachhochschulrat).

Of the 11 private universities, three offer business studies: US-American Webster University has a campus in Vienna. PEF Private University and IMADDEC University were founded by Austrian individuals. Altogether, student numbers at private institutions do not yet exceed 3,600 and their market position is still rather weak. Private universities and their study programs have to get accreditation by the accreditation council (Akkreditierungsrat).

Faculty

University teachers are mostly first recruited at Magister level. Their first post will include an obligation to undertake doctoral studies. When they have a doctoral degree, researchers can gain a post-doctoral qualification by finishing a "Habilitation", i.e. getting a *venia docendi* in their field. Holders of a Habilitation or equivalent qualification can be offered a university chair and hence become full professors. Researcher mobility and the introduction of PhD studies will bring change in this area. Apart from the traditional research career, universities hire adjunct professors from the business world.

Vocational colleges usually require less academic qualification but sound practical experience in the subjects to be taught:

- Estimated number of institutions with undergraduate business degree programs: 22 (six public universities + 15 vocational colleges + one private university).
- Estimated number of institutions with business Master's degree programs: 26 (eight public universities + 15 vocational colleges + three private universities).
- Estimated number of institutions with business Doctorate degree programs: 6 (public universities).

Most important issues facing business schools in the country

The 1999 amendment to the University Education Act (Universitäts-Studiengesetz) introduced the three-tier system of university studies. In the mid-range, diploma studies will generally be replaced by baccalaureate and Magister study programs.

The 2002 Universities Act which came into force in October 2002 and was fully implemented on January 1, 2004, gives full legal status to universities. University management can operate autonomously, newly recruited university staff are now employed under private law contracts. Universities are funded via a global budget which is set up for three-year periods based on public service agreements which define the services to be rendered by the Federal Ministry and the university by way of negotiation. The first period for public-service agreements is 2007 to 2009. After that time, every university must submit an annual performance report on the state of implementation of the public service agreement as well as a knowledge balance. Budget reporting is done via the financial statements based on a commercial system of accounting. 20 percent of all university budget allocations are formula-linked. This formula must include indicators of teaching, research and development as well as of social objectives.

In July 2005, the Austrian parliament changed the legislation permitting university access. Now, universities are allowed to select their students for study programs in biology, business administration, communication sciences, medicine, pharmacy, psychology and veterinary medicine. Still, universities must not curb the number of university places offered. Selection procedures can be realized before admission or within the first two semesters after admission.

Mag. Roland Humer
Wirtschaftsuniversitaet Wien