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## **Integral Management: Knowledge on the MER Model in Postgraduate Master's Study Programs**

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*Abstract: In the contribution we represent how the knowledge on the MER Model of integral management is built in the master's study programs on the case of the Faculty of Economics and Business at the University of Maribor. The MER Model of integral management has been developing at the research Institute MER Eurocentre in Slovenia and is the result of the cooperation of researchers from different countries. The research work on the development of MER Model started in 1992; the first attempts of building the knowledge on the MER Model dated back to 1994. Based on the acquired experiences of the past decade more systematical incorporation of the MER Model in the new study programs (so called Bologna study programs) was possible after 2004.*

*Keywords: management, integral management, management models, study programs, MER Model of integral management*

## **1 Purpose of the Contribution**

The main purpose of the contribution is to represent how the knowledge on the MER Model of integral management is built in the master's study programs on the case of the Faculty of Economics and Business at the University of Maribor in Slovenia. The MER Model of integral management has been developing at the research Institute MER Eurocentre in Slovenia and is the result of the cooperation of researchers from different countries<sup>1</sup>. The beginnings of the MER Model dated back to 1992 when a group of enthusiastic researchers started "transitional" studying of enterprises' management and development [1, 2].

Researches from Slovenia (also the authors of this paper), who are involved in the development of the MER Model, have been transferring the knowledge on the integral management into the study processes at different institutions, and most intensively especially at the Faculty of Economics and Business at the University of Maribor. In the paper we represent how the knowledge on MER Model of integral management is built in the master's study programs at the Faculty of Economics and Business at the University of Maribor; the presence of the MER Model in the undergraduate and the doctoral study programs will be shortly presented due to the space limitations. More information will be provided in the discussion at the conference.

## **2 Study Programs Offered at the Faculty of Economics and Business at the University of Maribor**

The Faculty of Economics and Business (in continuation: EPF), member of the University of Maribor, was established in 1959 as the School of Economics and Commerce; today the EPF offer several accredited and in its environment well accepted study programs on the undergraduate, the master's and the doctoral study level. "Old" study programs and the new ones, which are based on Bologna declaration, are offered at the EPF. The majority of study programs are implemented as full-time as well as part-time studies.

The undergraduate university study program (the "old" one) lasts five years (eight semesters of lectures and one year for the preparation of the degree theses); the

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<sup>1</sup> The MER Eurocentre (MER Evrocenter in Slovene) is a non-profit research institution, established and functioning in Slovenia. In the contribution the acronym MER is often used (M - Management, E - Entwicklung (in German) → Development, R - Razvoj (in Slovene) → Development) for the MER Eurocentre and its Institute for management and development.

continuation of the study is possible on the postgraduate (master's) level. The EPF offers master's program which lasts two years (eight semesters). Doctoral study program is individual and consists of the individual research work. The duration of the "old" study programs is time limited by law in Slovenia because of the introduction of the new Bologna study programs. Since the knowledge on the MER Model of integral management has been part of the "old" study programs and is also built in the new Bologna programs we discuss both types (old and new ones) of study programs in our contribution. We could not holistically present our experiences with omitting old study programs in our presentation.

The new study programs at the EPF, which are based on Bologna declaration, are: the undergraduate study program (lasts three years i.e. six semesters), the master's study program (lasts two years i.e. four semesters) and the doctoral study program (lasts three years i.e. six semesters). The MER's cognitions are presented everywhere: at the undergraduate level with some basic knowledge on integral management, and at the master's and the doctoral level with more in-depth knowledge on the MER Model and its applicability. The new Bologna study programs on the undergraduate and the master's level has been carrying out second academic year; the new doctoral study program has not been implemented yet.

Thirteen departments, which are responsible for the implementation of the study programs, are organized at the EPF. Departments are the basic units of scientific research work and pedagogical activities. The work of departments is coordinated and managed by the head of a department, who is in many cases also (but it is not necessary!) a responsible head of the study field. The issues of the integral management (including the MER Model) have been incorporated into the research and pedagogical work of the Department of Strategic Management and Enterprise's Policy. This department is one of the youngest ones at the EPF. It was established five years ago, when the MER research and professional cognitions started getting widely known. The majority of the members of the Department are included in the MER Eurocentre activities<sup>2</sup>. The Department of Strategic Management and Enterprise's Policy is offering courses which are compulsory for all students within certain program, as well as courses which are compulsory only for students of the particular study field; the Department is also responsible for the study field in old master's study program as well as for the study field in new Bologna master's study program<sup>3</sup>.

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<sup>2</sup> The foundation of the Department of Strategic Management and Enterprise's Policy was in 2003 proposed by prof. dr. Janko Belak who is also the head of the Institute for Management and Development at the MER Eurocentre. The head of the Department is now doc. dr. Mojca Duh, who is also research co-worker and member of the council of the MER Eurocentre. Mag. Jernej Belak is assistant and one of the Department's members and the director of the MER Eurocentre.

<sup>3</sup> Doc. dr. Mojca Duh, who is the head of the Department is also the head of the both study fields within master's study programs.

### 3 MER Model of Integral Management

The MER Model is based on understanding the philosophy, culture, and ethics of an enterprise as important success factors. The philosophy, culture, and ethics of an enterprise are influenced by those in management. The MER Model predicts such functioning of an enterprise and its management, which is based on the credibility of an enterprise. Such values are an important component of the MER Model.

Synergy, entrepreneurship, and ecology are also identified as key success factors of an enterprise. The care for achieving positive synergy effects is built into all dimensions of the MER Model. Entrepreneurship (as a process of seeking for, creating and using business opportunities) and ecologically responsible behavior of an enterprise are also both integrated into the MER Model.

The MER Model is based on the integration of all discussed factors from an enterprise and from its environment (Figure 1).

Management processes, instruments, and institutions are horizontally and vertically integrated in consistent, functioning wholeness. Process, instrumental, and institutional integration of management is at the same time the fundamental condition for bringing into force all other integration factors.

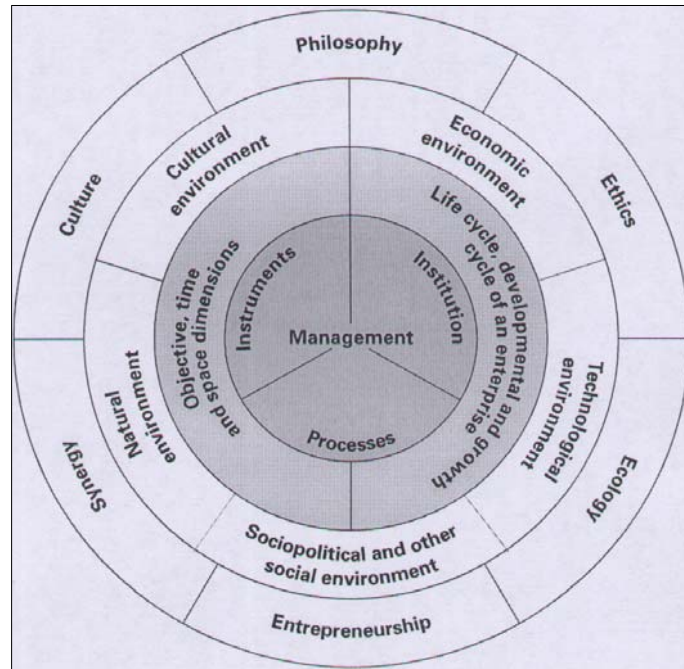


Figure 1  
MER Model of Integral Management

An enterprise, understood as a narrow environment in which (and for which) the management is active, integrates “its own” management with the characteristics of its own reality (activity, processes, resources, organization and structures) in certain places at certain times. This integration takes place in an enterprise that is in different phases of life, growth, and developmental cycles; this also demand the adaptation of management to the characteristics of particular phases.

The integration of management with philosophy, culture, ethics, entrepreneurship, synergy, and ecology should not be isolated only to a certain part of an enterprise and/or its environment. This integration of management with an enterprise (as a narrow environment) and the enterprise’s environment (as a broader environment) should be carried out in relation to all the previously listed factors (philosophy, culture, ethics, entrepreneurship, synergy, and ecology), all environmental spheres (economic, cultural, natural, technological, political, and social environment), and places (market, operational, and cognitive) of an enterprise.

Results of empirical researches indicate that the MER Model is universal enough and enables adaptation for use in different enterprises. We have already represented the MER Model (in more detail) at the previous MEB Conferences<sup>4</sup>, some of these and other contributions [for example 3, 4, 5] have also been published on the web pages of the MER Institute for Management and Development [6].

#### **4 Building of the Knowledge of the MER Model of Integral Management in the "Old" Master's Study Program**

As discussed previously the EPF carries out two master's study programs, and that are: (1) so called “old” master's program, which has been carried out with slight corrections since 1994 – concluding this program the students gain the title “Master of Economics and Business Science” and (2) “new” Bologna master's program, where students gain the title of master of profession. For the “scientific master program”, which is the topic of the present paper, the students will be able to apply for the last time in the study year 2008/2009. Afterwards the program will be terminated in accordance with the legal provisions. On a yearly basis 120-150 students decide to apply for “scientific” master program.

The program consists of nine study fields [7]:

- Economic Theory and Analysis

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<sup>4</sup> See contributions on MER Model of Integral Management in proceedings MEB 2003, MEB 2004, MEB 2005 and MEB 2006.

- Innovative Management
- Management and Organization
- Marketing
- International Economics
- Enterprise's Policy and Strategic Management
- Business Finance and Banking
- Business Informatics
- Accounting and Auditing

The program of each study field consists of eight courses out of which six courses are held in the first and two courses in the second study year. The hours of the held lectures are set to the minimum, since the study emphasis is put to the student's individual research work. The research work includes individual research of domestic and foreign literature as well as writing of the research works, critical commentaries, and final master's thesis.

There are three courses (out of totally eight courses) which are common to all nine study fields (Macroeconomics; Microeconomics and Business Economics; Management). Each study field consists of another five research courses on the topic of the study field. Out of those five courses three of them are compulsory and two of them are elective courses. In Table 1 the course plan of study field "Enterprise's Policy and Strategic Management", which is carried out by the "Department for Strategic Management and Enterprise Policy", is presented [8].

Table 1

The course plan of the study field "Enterprise's Policy and Strategic Management"

**1<sup>st</sup> YEAR**

**1<sup>st</sup> semester**

Course	ECTS
<b>Compulsory courses of the study program</b>	
Macroeconomics	10
Microeconomics and Business Economics	10
Management	10

**2<sup>nd</sup> semester**

Course	ECTS
<b>Compulsory courses of the study field</b>	
Theory and Praxis of the Enterprise's Policy	10
Entrepreneurship and Ethics	10
Enterprise's Development Theories and Strategic Management	10

**2<sup>nd</sup> YEAR****3<sup>rd</sup> semester**

Course	ECTS
<b>Two compulsory courses and two elective courses</b>	
Two elective courses are chosen among: Business and Tax Law; Organizational and Human Factors of Enterprise; Controlling; Innovation and Quality Management; Informatics and Quantitative Decision Models	20
Individual research work	10

**4<sup>th</sup> semester**

Course	ECTS
Master's thesis completion	30

In the above presented program the Department for Strategic Management and Enterprise's Policy carries out the compulsory course "Management" for all study fields. The purpose of this course is to introduce the student the origins of the theory of management as well as the comparative insights on the different models of the integral management. Students get to know in detail the basic characteristics of the MER Model of integral management.

In the study field "Enterprise's Policy and Strategic Management" the majority of compulsory courses of the study field is carried out by the Department for Strategic Management and Enterprise's Policy (only the course "Entrepreneurship" is carried out by another department); the Department does not offer any elective courses for its study field. Within the courses the basic knowledge on the MER Model of integral management is combined with the special (i. e. MER's) characteristics of the enterprise's policy, enterprise's ethics and management as well as by the MER's view on the enterprise's life, developmental and growth cycle.

The knowledge on the MER Model of integral management is also included in the courses of four other study fields: »Management and Organization« and »Innovative Management« in the courses »Enterprise's Policy and Strategic Management« and »Crisis Management«; »Business Informatics« in the course »Enterprise's Policy and Strategic Management«; and »Accounting and Auditing« in the course »Enterprise's Development-Theories and Strategic Management«. In all these cases the content of the course is adopted to the specifics of study fields.

Within all described courses the research seminar is required where a student compares the MER's solutions and ways of the problem solving with the cognitions gained by other models of integral management. At this level of the master's study (which in "new" Bologna programs is moving to the doctoral level) more emphasis is given to the scientific analysis and synthesis and less to the professional analysis and synthesis; this is due to the assumption that professional analysis and synthesis have already been learned within the undergraduate university ("old") studies (with the duration of 8 to 10 semesters).

## **5 Building of the Knowledge on the MER Model of Integral Management in the "new" Bologna Master's Study Program**

The renewal of the previously described master's study program was carried out in accordance with the Bologna Declaration as well as with the changes of the "Higher Education Act of Republic of Slovenia". The program has been carried out for the second year. In two years 300 students applied for this study program (150 per year). Since concluding this study program the student gains the professional title "Master of Economics and Business" the studies emphasize the professional and not so much the scientific analysis and synthesis. In this renewal process these goals were also followed by the Department for Strategic Management and Enterprise's Policy.

The "new" Bologna master's program consists of nine study fields [9]:

- Economics
- Finance and Banking
- Information System and E-business Management
- Marketing Management
- Management, Organization and Human Resources
- International Business Economics
- Entrepreneurship and Innovation
- Accounting, Auditing and Taxation
- Strategic and Project Management

The realization of the study program has been planned for the two year period (four semesters). The part of the program in the first year of the study is common to all study fields where on the other hand the part of it is already focused on student specialization. The study program of each of the study field consists of the fifteen courses out of which ten courses take place in the first and five courses take place in the second year. The student is required to put emphasis on his practical research work, writing research seminars and on concluding master's thesis.

Four courses (out of totally fifteen courses) are compulsory to all four study fields. These courses are: Research Methods, Theories of the Firm, Management, Macroeconomics II or Modern Microeconomic Analysis. Each study field consists of another ten study field's courses; five of them are compulsory and five of them are elective courses (out of forty offered courses). The Department for Strategic Management and Enterprise's Policy carries out the study field "Strategic and Project Management", which consists of the courses as shown in the Table 2 [10].



In this master's program the Department for Strategic Management and Enterprise Policy carries out the compulsory course “Management”, which consists of two parts: (I) General Management and (II) Integral Management. In the second part the student gains the knowledge on the development of the different models of integral management, and some basic knowledge on three selected models of integral management and more detail knowledge on the particularities of the MER Model of integral management.

Table 2

The course plan of the study field “Strategic and Project Management”

### 1<sup>st</sup> YEAR

#### 1<sup>st</sup> semester (winter)

Course	ECTS
Research Methods	6
Theories of the Firm	6
Macroeconomics II or Modern Microeconomic Analysis	6
Management (I. Compl.: General Management; II. Compl.: Integral Management)	6
Governance and Strategic Management	6

#### 2<sup>nd</sup> semester (summer)

Course	ECTS
Programme and Project Management	6
Credibility and Corporate Culture	6
Development of Dynamic Enterprise	6
Start-up and Developmental Management	6
Elective course 1	6

### 2<sup>nd</sup> YEAR

#### 3<sup>rd</sup> semester (winter)

Course	ECTS
Project Oriented Strategic Management	6
Elective course 2 - 5	Each 6
Research seminar	-

#### 4<sup>th</sup> semester (summer)

Course	ECTS
Master's thesis completion	30

The Department for Strategic Management and Enterprise's Policy upgrades and builds the contents of the integral management within four study field's courses which as listed below:

- Governance and Strategic Management
- Credibility and Corporate Culture
- Development of Dynamic Enterprise
- Start-up and Developmental Management

The above listed courses (each with 45 contact hours) are carried out chronologically in two semesters and are methodologically as well as in their content linked to one another. Through the courses the content as well as the methodology is built up and upgraded. The study emphasis is on seminar, practically focused work of the student, founded on the chosen model of integral management. For the student in the study field "Strategic and Project Management" the four mentioned courses are compulsory. Within these courses the basic knowledge on the MER Model of integral management is combined with the MER's characteristics of the enterprise's policy and strategic management, the enterprise's credibility and culture as well as with the enterprise's dynamics, and especially with the MER's cognitions on the enterprise's qualitative as well as quantitative growth and on enterprise's start-up and termination.

Within all the mentioned courses the research seminars are carried out, where the student is required to examine the enterprise which really exists. The process of finding solutions for the stated research problems is based on the MER Model and on the comparison with some other models of integral management (e.g.: method for examining the enterprise's policy developed by Kralj, methodology of Pümpin and Prange for defining the enterprise's life cycle stage, etc.). At this level of the master's study the professional analysis and synthesis is emphasized since the scientific approach has been "moved" to the doctoral study level. The study of all mentioned study field's courses is therefore applicable oriented, of course with the adequate professional dealing with problems. Within all courses the student alone (or in small team) examines the same enterprise. The research report is afterwards discussed in a classroom by other students-colleagues and professors.

The knowledge of the MER Model of integral management (adopted to the specifics of study fields) is included also in the courses of another three study fields: »Accounting, Auditing and Taxation« in the courses »Credibility and Corporate Culture« and »Start-up and Developmental Management«; »Management, Organization and Human Resources« in the courses »Development of Dynamic Enterprise« and »Start-up and Developmental Management«; »Entrepreneurship and Innovation« in the course »Development of Dynamic Enterprise«.

## Conclusions

The knowledge on the MER Model of integral management has been gradually incorporated in the study programs presented in the paper. Since 1994 the new cognitions and knowledge has been included in the study program step by step – in the same way as this knowledge has been developing. This is still being done since the development of the model is permanent task. Based on some feedback information received we believe that the work done has been useful. The students' study work is based on the model of integral management (in our case the MER Model) which serves on one side for "orientation" and on the other side it enables students to compare it with some other cognitions. Students are adding knowledge acquired at some other courses to the MER Model (not in real but mentally). Of course it will be wrong if the study process would base only on one model. Therefore students need to know also some other models and management solutions in order to get enough broad knowledge on the integral management.

Even though nowadays is fashionable to study without using books but only by using internet – we see that this does not bring quality results. Without the books there are no good study results. In the case presented in this paper it is more or less by happy coincidence that we have started with writing and publishing books (in the year 1992) and in this way started the MER program (and which has been intensively continuing). As a result of these efforts students nowadays have the access to a large book collection and other literature with contents which are directly or indirectly linked to the MER Model<sup>5</sup>. The only critical problem refers to the language. A lot of has been written in German language, which many do not speak and therefore do not understand or sometimes are texts in German language in comparison to those written in English much more difficult to understand. In the continuation we list some of the books written in Slovene language, which represent the source of knowledge on the MER Model of integral management [11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21]. The majority of the above listed books is compulsory study literature for students. To this list a lot of other books can be added, which are listed among references. To the list of compulsory study literature in Slovene language also other literature [22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39] in the field is added (in German and English as well) – the choice of this additional literature depends on student's knowledge of foreign language (English or German).

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