

The Importance Of Strategic Management And Intellectual Capital In Sustainable Development:

The Case Of Suleyman Demirel University

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Abstract

Universities are one of the main elements of current notion of development since they are the institutions that produce the knowledge. They also hold a significant position in social and economic development in addition to their conventional roles of education and research. In this sense, they are expected to support sustainable development on local, regional and national basis through conducting research in cooperation with industrial establishments. Because producing professionals of the future is an important activity related to sustainability. In terms of sustainable development, intellectual capital and strategic management are two essentials to create a vision for the future.

In the study, Süleyman Demirel University, which started in a small town in 1976 with only 40 students and has expanded to 50,000 students today, was discussed in terms of its developmental influence on Isparta and its surroundings. The implementations of intellectual capital and strategic management that originated this development were described as a model.

Keywords: Sustainable Development, Strategic Management, Intellectual Capital, Entrepreneurial University.

1. INTRODUCTION

Sustainable development has been defined in many ways, but the most frequently quoted definition is from “Our Common Future”, also known as the Brundtland Report(WCED, 1987):

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." It contains within it two key concepts:

1. The concept of needs , in particular the essential needs of the world's poor, to which overriding priority should be given; and
2. The idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs."

1.1.Sustainable Development Strategies

Strategies for Sustainable Development can be summarized under six topics:

Environment: The natural world has a value on its own. No one mustn't mishandles physical carrying capacity of nature in order to meet the needs of their own use.

The Future: While meeting our own needs, we shouldn't forget that we have to leave the world for future generations to meet their own needs.

Quality of Life: Human welfare depends on, not only materially, but also social, cultural, moral and spiritual dimensions.

Justice: Welfare, opportunities, rights and responsibilities between countries and between different social groups in the same country must be apportioned fairly. The needs and rights of the poor and those who are face to face with some limitations should be considered. The same fair share must be done on natural resources, between future generations and today's people.

Precautionary Principle: If we don't sure effects of any movement or development, we should take more precaution. Because environmental issues are global, taking measures should be ascertained with special emphasis on social benefits.

Holistic thinking: If we are faced with a complex problem of sustainability all the factors should include the solution of this problem. For each problem with based on scientific data and special emphasis on social benefits, solution must be produced. Therefore, any decisions taken, the individuality of each application should be removed then moved to an international platform.

1.2.Dimensions of Sustainable Development

There are 3 dimensions of sustainable development:

1. **Social Dimension:** With permanent education, the benefits of "Enhancement of Quality of Life," should be explained to public for themselves and future generations.

2. **Economic Dimension:** Every source on earth is limited. Therefore, we have whatever the source, this resource must be distributed the fairest way to improve the quality of human life.

3. **Environmental Dimension:** Recycled or not, the use of every natural resource is aimed to provide continuity.

1.3.STRATEGIC MANAGEMENT

1.3.1.Definition of Strategic Management

Strategic management is a management technique that analyzes the process "What an organization do, reason of existence, demonstrate the goals which want to reach in the future and show how to reach these objectives "(Bryson, 1988).

1.3.2.Characteristics of Strategic Management

The main features of Strategic Management (Aktan, 2008):

Strategic management enables to the organization's future activities, planning, organization, coordination, implementation and control.

Strategic Management helps to think strategically. In this respect, they try to determine the correct strategy and tactics then these are applied.

Strategic management emphasizes the importance of organization's goals based on the teamwork . Strategies that are executed with a wide range of participation by senior management and the most optimal one is chosen for the company from decision-making techniques.

Strategic management helps to determine the most effective way to solve problems. In this respect, total quality management techniques are used extensively.

1.4.INTELLECTUAL CAPITAL

Stewart, in his book published in 1997, defined the intellectual capital the most general way as "obtained useful information" and noted that it includes the information about organization's processes, technologies, patents, skills of employees and customers, suppliers and other related parties. (Demirkol, 2007).

1.4.1.Sustainable Development and Human Capital

The most important element of intellectual capital is human capital. Human capital is the most difficult elements of intellectual capital within the definition of capital, employees of business have collective knowledge, which is the value of their abilities and experiences, constitute the main source of renewal and innovation process. In

addition, employees receive training, behavior patterns and attitudes are examined in this type of capital. (Ecer, 2004)

The most important element of sustainable development is human capital. The only way of transforming sustainable development as a life style is raising it passes individuals who believed sustainable development as a philosophy of life.

The principal elements of human capital are as follows (Demirkol, 2007):

- Know-how,
- Training,
- Business-oriented features,
- Work-related information,
- Work evaluation,
- Work-related competition,
- The power of entrepreneurship, innovation, insight before and after the process, variability.

2. SUSTAINABLE DEVELOPMENT AND UNIVERSITIES

2.1. University in Regional Development

- Intra-regional division of development task between different institutions in a region
- Does the university has the internal capacity in responding to growing expectations directed at it with regard to social, cultural and economic development in terms of economic and social capital?
- Rising question: What is the role of universities in regional development

2.2. The Contribution of Universities in Regional Development

- Generating revenue, spending this revenue in the region and attracting students who will spend money on their education
- Conducting scientific researches regarding regional questions or commercial studies for the firms in the region
- Improving the social and cultural life of a region
- Researches which takes place at universities stimulates regional development through an increase in GDP and employment and has a strong, deep effect on the productivity of the economy in a region
- Universities affect regional development through training students to create new ideas and innovations
- University students assist firms in increasing their productivity, effectiveness, and in the introduction of new products which generates growth in the region

- Creating new industries by science & engineering researches, technology licensing policies, promoting/assisting local entrepreneurial businesses (incubation services, etc.)
- Upgrading existing industries by problem-solving for industry through contract research, faculty consulting, etc. and education/manpower development
- Importation/transplantation of industries: advancement of education, manpower development, research and training of human resources.

2.3.Changing Role of Universities in Turkey by time through Changing Economic and Social Structure

- 1923-1950: Nation building
- 1950-1980: Modernization
- 1980-1990: Reorganization
- 1990-2011:Internationalization, Marketisation and Harmonization along with European Higher Education System.

2.4.Changing Nature of Knowledge and its Implications on Universities (Antonelli,2003)

Knowledge as a Public Good :

- Public funding of universities and other public research centers.
- Top-down view about the generation of technological knowledge.
- Linear approach: technological knowledge is the eventual result of the application of new scientific discoveries.
- Universities and public research centers were better equipped to perform scientific research. Application of scientific discoveries for the actual generation of technological knowledge and the introduction of technological innovations is assigned to corporations.

Knowledge as a Proprietary/Private Good:

- The new enclosures substitute the knowledge commons.
- Universities enters the markets for the technological (knowledge) outsourcing of large corporations.
- The mobility of human capital is more and more regarded as a sensitive issue.
- New effective tools of stimulating the distribution of knowledge and increasing the incentives to its production: Academic patenting and scientific entrepreneurship.

2.5. Changing Roles of Universities

TRADITIONAL ROLES	NEW ROLES
Nation Building: National demands for Higher Education	Region Building: Local demands for HE (Role in social-economic-cultural development of regions and growing needs for local technology & skills)
Raising general education level: Basic HE	Facilitating learning at various levels: Lifelong Learning
Increasing the stock of formal knowledge	University as a knowledge producing actor: Creating internal/external spillovers of knowledge
Transferring global to local space	In addition to traditional role: transferring local to global space
Research based activities	Being an institution which is capable of producing commercialisable research based activities & technologies
Helping entrepreneurs: Increasing the stock of researches	University as an entrepreneur: Using output of its own researches
Part of central governance approach	Part of local governance approach
Disciplinary (integrated) approach for teaching & research	Non rigid (flexible) approach: Growing separation between teaching & research

3.MODEL

Strategic thinking is the basic way to success. Süleyman Demirel University's intellectual capital and strategic management decisions guided development of Isparta city. The university's strategic plan changed the fate of the Isparta city and it became a small example of sustainable development. Professional strategic planning process began in 2005 at Süleyman Demirel University. University is one of the cornerstones of sustainable development. Süleyman Demirel University has become an institution with the awareness that change and development has become conditions of looking the future. The university has made its first strategic plan for 2006-2010 which its physical and institutional structure largely completed. Then, for the years 2011-2015, S.D.U revised its strategic plan and determined the mission, vision, core values and principles.

Mission: Süleyman Demirel University provide international, national and local levels education and training, execution scientific research, publications and consulting activities, his research and projects on a national and international level in science, art and technology is committed to producing nation and the sake of all humanity.

Vision: The university aims to be a pioneer, be preferable and have the high mobility in higher education network.

This mission, vision, core values and principles through with SWOT analysis and stakeholder analysis, strategic goals and objectives identified. Affecting factors of Süleyman Demirel University evaluated under two main headings; internal analysis and external environmental analysis. With the internal analysis, internal environments affect of the future conditions and trends are examined. In the study of external environmental analysis, non control external conditions and trends to university are evaluated. With the external environment analysis, opportunities and threats were determined by taking opinions of internal and external stakeholders. (Suleyman Demirel University's Strategic Plan, 2011-2015)

4.RESULTS AND DISCUSSION

Today, Universities has become one of the basic elements of sustainable development because of producing knowledge, qualified labor force and technology for humanity and universe. Universities also hold a significant position in social and economic development in addition to their conventional roles of education and research. In addition, illumination of society routing, transformation and lead the change are functions too. As shown in this study, Süleyman Demirel University has important role on creating vision for the future with using intellectual capital and strategic management in sustainable development.

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