The sponsoring by industry of universities of cooperative education: a case study in Germany

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The current situation in the education sector requires academic institutions to be more flexible in terms of their approach to academic funding as well as in ensuring the appropriate return for businesses that are willing to sponsor their academic activities. The German model discussed in this article shows how a university of cooperative education in Germany was able to obtain assistance from a large business for a collaborative learning approach between academia and business. Sponsorship by businesses and foundations can provide imaginative solutions to the funding of higher education, all the more vital at a time when new technology has brought revolutionary changes in private and work life. Not only can business provide the necessary funding, but it can also facilitate a more effective and pragmatic approach to education. This article describes the various elements of sponsorship and how a university of cooperative education in Germany has started to explore ways to overcome the exclusive research focus by sponsoring companies and to start experimenting with new concepts in order to participate in private support from the business sector. Those new collaborations could be, for example, in the area of knowledge transfer and providing various ways of cooperation; that is, part-time lectures or student-consultancy assignments, where students try to solve a specific business issue. (Asia-Pacific Journal of Cooperative Education, 2008, 9(1), 1-13).

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As this case study puts sponsoring in the center of the discussion, it is important to define the term as its most commonly used today: "Commercial sponsorship is an investment, in cash or kind, in an activity, in return for access to the exploitable commercial potential associated with that activity" (Meenaghan 1991, p. 36). Sponsoring activities of higher education institutions by companies is more and more common and represents a significant part of the yearly budgets for universities. In addition to the definition above, there seems to be additional motivation besides the communication aspect why companies engage in sponsoring higher education. However, not all universities participate equally, and there is a clear tendency to support rather well-known and highly respected research universities, while smaller and more teaching-oriented institutions, that is, universities of cooperative education, are left behind (Osburg, 2006). This article describes the various elements of sponsorship and how a university of cooperative education in Germany has started to explore ways to overcome the exclusive research focus by sponsoring companies and develop new concepts in order to participate in private support from the business sector.

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ISSUES IN HIGHER EDUCATION IN GERMANY

Current Financial Challenges in Higher Education in Germany

Universities in Germany are increasingly being confronted with various challenges (Osburg, 2006):

- The competition between institutions in higher education will increase through the globalization of economy and education both on a national and international level;
- The number of tertiary students in Germany has dramatically increased over the past few years and is now stabilizing at a high level,¹ thus the demand for education has risen more significantly than the budgets available for universities;²
- The announced introduction of tuition fees in most federal states will significantly change the financial balance sheet of the universities as well as the overall cooperation with business partners; and
- The increasing need for funds will be met more and more by private money, while public funding of universities will continue to decline.

Universities are challenged to develop a sustainable and clear profile to remain competitive on a national and international level. In addition to research and teaching challenges, such as the introduction of bachelor and master courses following the Bologna Declaration in 1993³, new concepts of financing is needed, one of them being university sponsoring through private companies. This additional money will allow the institutions to initiate and sustain the academic programs needed to remain competitive. Public spending for education in Germany has been getting more and more restricted, and there are few signs of a fast recovery. As an important part of the national education budget, universities are suffering financially from this situation as well. It is estimated that an additional 3 billion Euro is needed every year for universities to continue running their research and teaching programs without decreasing the quality (Deutscher Hochschulverband, 2004).

Universities in Germany have three major revenue sources: public funding, service income and third-party funding.⁴ Since 1992 the public support from federal and national sources has dropped to 58% of the total income of universities (Statistisches Bundesamt, 2003b), and therefore funds from other sources have become more and more important. Third-party funding currently accounts for 11% of the overall income of German universities, representing approximately 3.4 billion Euro of the total university spending of 30.6 billion Euro every year. This is an increase of 28.5% from 1997 to 2001 (Statistisches Bundesamt, 2003a). Some 832 million Euro of the 3.4 billion Euro comes from private companies, 207 million Euro from foundations, and approximately 100-200 million Euro through company sponsorship (Statistisches Bundesamt, 2003a). Thus, it can be estimated that approximately 4% of the total university income in Germany comes from private sources, mostly corporations.

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¹ The number of students in Germany has grown by nearly 15% between 1999 and 2003, from 1.77 million, to 2.03 million (BMBF, 2002, 2004), but decreased slightly in 2004/2005 to 1.97 million. students (Statistisches Bundesamt 2004). ² Since 1980 the expenses per student have decreased by 15.4% (Statistisches Bundesamt 2003).

³ The purpose of the Bologna Declaration is to create a common European higher education area by making academic degree standards and quality assurance standards more comparable and compatible throughout Europe.

⁴ Third-party funding is understood as all financial help that is raised by universities from private or public sources to strengthen research, development and teaching in addition to the regular budget provided (Statistisches Bundesamt 2003a).

Despite this relatively small contribution emanating from sponsoring to the overall university budget, the sponsoring of universities has been and is continuing to be strongly recognized in academic literature.⁵ This seems understandable as money coming from private sources is mainly used to pay for those research and teaching needs that ultimately will become a competitive advantage in the increasing competition of universities, faculties and departmental chairs on an international level and that is mainly documented in an augmented profile of the university itself (Haibach, 2004).

The Specific Situation of Universities of Cooperative Education

Universities of Applied Sciences (UAS's or Fachhochschulen/FH) and Universities of Cooperative Education (UCE's or Berufsakademien/BA) have been in existence in Germany since the early 1970s. They are less research-focused than traditional universities, stress practice rather than theory, and usually cooperate more closely with companies - with regards to teaching - than research universities do (Anweiler 1996; Kultusminsterkonferenz [KMK], 2005). Due to this constellation, the knowledge transfer from education to business and vice versa is more important than in the case of traditional universities. However, UAS's and UCE's do not have PhD programs (see KMK, 2005).

Third-Party Funding in Germany is not equally split between the universities. More than 70% of the funds that come from private sources are only for research universities, while another 22% goes to medical departments of Universities. UCE's and UAS's receive only 4.2% of all third-party funding in Germany (Statistisches Bundesamt, 2003a), even though they represent the majority of institutions of tertiary education. The major reason for this can be seen in the strong focus of the UCE's and UAS's on teaching-for-practice instead of a research focus. Research, however, is the area that generates most private funding (Statistisches Bundesamt, 2003a).

This overview already illustrates the needs for universities of cooperative education to come up with different and creative solutions to achieve additional private funding that is not tied to research.

TRADITIONAL COOPERATION MODELS OF HIGHER EDUCATION SPONSORSHIP

At the very time when most countries are confronted with a decline in funding for public education, new challenges are emerging that demand a substantially higher investment in education. Educational institutions are, therefore, being forced to find new financing solutions. This subject is even more relevant for cooperative education, which often has to balance the conflicting demands of industry and its pedagogical needs.

There are several ways to finance these new investment requirements, namely, public funding, donations, and sponsorships by companies or foundations. The concept of sponsorship differs from a donation in that donors give for more philanthropic reasons and are usually not as restrictive in terms of requirements. Sponsors, on the other hand, expect some return on their investments; and agreements between the sponsor and the sponsored are usually arranged by means of a contract (Hermanns & Glogger, 1998). It is possible that if an organization provides the educational funding, it assumes the curriculum will meet the

⁵ See, Beier (2003), Bruhn (1990), Bruhn (1999), Deutscher & Hochschulverband (2004), Erhardt (1998), Hermanns & Falt (2002); Hermanns & Glogger (1998); Hermanns & Suckrow (1995), Osburg (2006), Reinhard (2001), Reinhard & Osburg (2006), Slapnicar & Melega (1998), Westebbe, Winter & Trost (1997).

needs of this organization. One of the major implications of this is that traditional academic freedoms may be compromised; although, in the case of cooperative education programs, this may not be such an issue since this education system in any case attempts to provide learners with a qualification more relevant to industry.

The problem with sponsorship, particularly in the information technology (IT) industry, occurs when the organization sponsoring the investment wants to restrict the curriculum to meet its own criteria instead of that of the academic institution and its learners. An example of this is when a software supplier plans to sponsor an IT department of an academic institution. This request might make it difficult for the institution to accept the sponsorship since it needs to have curricula that are more broadly based in order to facilitate employment for learners. Learners cannot afford to be restricted in terms of their employment opportunities; therefore, the IT curricula need to facilitate the entry of the learners into a variety of industries, some of which may be using different software from that of the sponsoring organization (Reinhard, 2004).

Another critical issue for universities when working with companies is the *fit* of the products or services with the reputation of the university. Consider an example: while it might be seen simply as not adequate for a non-research university to receive significant contributions from tobacco or alcohol companies, it might be even dangerous for institutions that have a reputation in cancer- research. It is extremely critical that the companies and universities fit together with regards to their beliefs and values.

Sponsoring by Companies

The sponsoring of universities represents a special activity within the overall context of company sponsorship activities as the goals that are related to university sponsorship significantly differ from goals related to sponsorships of sports or culture, for example. This stems from the underlying intention of the sponsor which is primarily to support the beneficiaries, instead of using the sponsoring activity for communication purposes only. Thus the driving force and conceptual framework of university sponsorship might often be embedded in corporate social responsibility rather than in the often short-term communication goals of a marketing department (Bruhn, 2003).

In today's literature, there are countless definitions of sponsorship. The one most commonly used can be considered to be a donation of money, services or goods from a company to a university as a whole or to a part of this institution, by allowing the company contractually to use this Sponsorship actively in its communication efforts (Westebbe, Winter & Trost, 1997). This definition which is fairly clear in theory becomes muddy in practice (Osburg, 2006) as companies nowadays are confronted with a variety of possibilities in supporting institutions of tertiary education (Westebbe, Winter & Trost, 1997; Walliser, 1995,):

Philanthropic donations are characterized by the clear intention of the donor to provide money in order to support the goals of the university. There is usually no expectation linked to the giving, even though a press article might be desired in certain cases. However, this would put philanthropic donations already close to traditional sponsorship (Hermanns, 1997, Walliser, 1995);

Human resource marketing represents another possibility for corporations to support universities, as the company provides support in the field of research grants, internships, recruiting fairs, and so on. The ultimate goal is to identify and secure the top students of each year for the future hiring of the firm (Hermanns, 1997);

Third-party research support is targeted to using the research results generated by the university in a public context. The company will provide financial or other support to conduct this research (Hermanns, 1997), and the goals of the company and university are usually identical. However, if the company is the exclusive user of the research results, it has to be seen rather as contractually paid research work and not University Sponsorship (Osburg, 2006); and

Public private partnership initiatives represent a relatively new form of cooperation between universities and companies. They can be defined as an alliance of public and private service providers to solve clearly defined issues (Späth, 1998). It is disputed in the literature whether public private partnership can be viewed as being on the same level as Sponsoring (Beier, 2003) or if sponsoring is a subset of public private partnership (Späth, 1998). Contrary to true sponsorship, the partners in public private partnership initiatives have common goals that have been agreed upon contractually.

As a result of the countless possibilities that companies have to support higher education, Sponsoring is often seen in public as an overarching term for all kinds of supporting activities, donations, gifts, research contracts, and so on; all those instruments might be described as sponsoring by the general public (Hermanns, 1997). A study found out that 90% of the companies which provide voluntary donations consider this activity to be sponsorship and more than 80% of companies that sponsor consider this to be philanthropic giving (Kirchberg & Reibestein, 1999). There is thus a very fine dividing line between these various activities.

Company Goals for Sponsorship

Psychographic Goals

One of the most important goals of university sponsorship is the documentation of corporate social responsibility to the stakeholders (Hermanns & Suckrow, 1995). Because of the wide public acceptance of universities and their role in society (Hermanns & Falt, 2002), it can be considered an appropriate instrument to document the corporate support for needed causes (Westebbe, Winter & Trost, 1997). With regard to innovations, Germany is not in a leading position anymore. Missing innovations jeopardizes jobs and wealth (Ganswindt, 2004). Companies which sponsor higher education demonstrate a special interest in the local economy, the situation of the university and the support of the new academic generation (Bruhn, 2003). University sponsorship can thus represent an important component for the local 'licence to operate' (Schrader, 2003).

The public discussion about the social responsibilities of companies is rising in Germany and is based on a new understanding of the relationship between companies and governments (Hansen, 2004). Companies are increasingly asked to accept their social responsibility and to make an adequate contribution to a prosperous community (Schrader, 2003). More and more, they realize the economic potential of this engagement. However, this does not necessarily mean that this is philanthropic sponsorship, that is, with little return-on-investment for the companies. Corporate social responsibility is clearly linked to the business of a company and its goals that need to be achieved (Schrader, 2003).

An increased and improved public awareness of the company can be considered another important goal of sponsoring (Westebbe, Winter & Trost, 1997), particularly the sponsoring of sports and cultural events. If universities are sponsored, the role of the professor becomes critical as multiplication to increase the company awareness (Hermanns & Glogger, 1998). This can be illustrated in the various roles a professor fulfills these days: professors are

usually not only teaching and researching at the University, they publish articles and books, often with selected case studies where a sponsor company could benefit from, they are on various boards and associations in influential roles, and they have public speaking engagements and give interviews. In short - a professor has multiple ways of positioning the sponsoring company in very positive ways among key stakeholders. By providing sponsorship money to universities, an image transfer from the sponsored institution (i.e., the university) to the sponsoring company is often an important goal (see, Glogger, 1999, for details). If the goal is to affect the company image in a positive way, sponsoring tertiary education is a highly effective way to achieve this goal, as universities represent seriousness, competency and orientation to the future (Westebbe, Winter & Trost, 1997). University sponsorship also plays a major role in human resource marketing activities. Within the firm, a stronger identification with 'my' company can result from sponsoring universities and colleges. Externally, it might become easier to recruit top students as the company is seen as a responsible employer taking care of more than just generating profit (Bruhn, 1990). A widely quoted research study from Germany found out that nearly 80% of all companies explicitly target university students for hiring purposes through their sponsorship activities (Hermanns & Glogger, 1998).

Economic Goals

When companies sponsor universities, economic goals, like the increase of sales numbers, are usually not their main goals (Hermanns & Suckrow, 1995) This might only be the case if the product or service offered by the sponsoring company is directly related to and useful for the target group or sponsored institution, such as equipment (research or office equipment) or service (for example, insurance service for students).

Forms of Cooperation

Classical Sponsorship is most often done through financial transactions. The universities receive money that they are either free to use or that has to be used for an agreed upon purpose. They can finance excursions, pay assistants or invest the money in technical equipment (Osburg, 2006). Another possible way of generating company sponsorship is through goods such as (used) computers or products of the sponsoring company (Maaß & Clemens, 2002). Especially through the donation of high quality products to students, companies can improve their image significantly and create new markets in the long run.

A third category of sponsorship is service support for Universities, the faculties or students. This could be the transfer of knowledge (i.e., research) for a conference, free access to company databases or even various forms of corporate volunteering (Schrader, 2003) where employees perform voluntary tasks during working hours. Financial contribution (donations and sponsorship) from companies are by far the most common way to support universities: 66% of the universities of applied sciences and 73% of the universities receive more than 80% of their fundraising in monetary donations. A significant part of those financial contributions are philanthropic donations, less than 30% are 'true' sponsoring (Giebisch & Langer 2005).

Fundraising

Fundraising⁶ is the creation and implementation of a holistic strategy to raise financial support (Haibach, 2002). Those funds usually encompass the whole procurement marketing activities and are not part of the allocated federal or national funds made available for the institutions (Fabisch, 2002). Fundraising has developed itself into an expanding business segment as the structures get more and more professional (Haibach, 2006). As procurement marketing can be considered a concept to solve procurement tasks of companies efficiently by focusing on market principles (Nieschlag, Dichtl & Hörschgen, 2002), fundraising by universities through company sponsorship can thus be considered a procurement marketing activity (Westebbe, Winter & Trost, 1997). Universities generally possess the same instruments and concepts as companies for professional procurement marketing (Koppelmann, 2000). In the USA, fundraising has a long history and thus is much more successful than in Germany, where it is a relatively new instrument (Haibach, 2006). Nearly all universities in the USA have their own fundraising departments with often more than 50 employees, the function of the fundraising manager usually comes with the rank of a vicepresident (Horstkotte, 2002) while in Germany it is often dealt with by the press office 'after hours' (Michaelis, 2004), and more than 55% of the universities do not even have dedicated resources for fundraising (Giebisch & Langer, 2005).

CASE STUDY: SPONSORSHIP THROUGH REWARDS

The Berufsakademie Ravensburg

In 1972, three world-renowned companies, Bosch, Daimler Benz and Standard Elektrik Lorenz⁷ (SEL), initiated in cooperation with the Baden-Württemberg Chamber of Commerce, Germany, an innovative and today highly successful system of academic study at university level: the *university of cooperative education* (UCE) in Germany. The UCE, also known as *Berufsakademie*, expanded very rapidly within the state of Baden-Württemberg, currently numbering over 19,000 students across 11 campuses. The model of studying at the UCE differs significantly from that of traditional universities in Germany. The UCE combines semesters of academic study at university level alternately with phases of on-the-job training and work-integrated learning programs in companies and social institutions. A student enrolled at the UCE is both a student and an employee. Therefore, students must sign a contract with standardized clauses, which is, in fact, a requisite to enrollment. The second requisite in order to study at the UCE is a university entry qualification, called the 'Abitur', a high school diploma that allows students to enter a traditional university. Other diplomas in Germany only allow students to enter universities of applied sciences.

What makes UCE studies different as compared to learning at a traditional German university and leads to student recommendations, are supportive personal experience, small classes, a shorter period of study, work-integrated learning programs, and earning a salary while studying (Bresler, 2004). According to an exploratory study on what creates excellence in business education, some factors are identified as influencing student evaluations of service quality at a university (Le Blanc & Nguyen, 1997). The 'earning of a salary' is, of course, not mentioned because, in any other study model of higher education, students usually do not receive a salary. Plus, students are guaranteed to achieve the necessary

⁶ Interestingly, there is no good word for fundraising in German. The English word is usually used.

⁷ Today, the company is called Alcatel-Lucent Deutschland AG.

qualifications for success in their professional careers by the integration of companies as active partners. Their market employment ability is proven by an over 80% takeover rate in enterprises immediately after graduation (Ministry of Science, Research & Arts, 2004).

The UCE currently works with over 8,000 companies of varied sizes representing the most diverse fields mentioned above (Ministry of Science, Research & Arts, 2004). The vast majority of large firms located in the state of Baden-Württemberg, both national firms and subsidiaries of international companies, work with the UCE as partners. Furthermore, enterprises from other parts of Germany also choose to contract and educate students at the UCE in Baden-Württemberg. Companies and social institutions play an essential role within the UCE educational system. They are equal partners with the state-run Berufsakademie on all decision-making committees. All involved companies that pay for the education of the students exert a strong, ongoing influence on curricula and the course of study organization. Enterprises, in order to be accepted as partners of the so-called dual-learning system, must fulfil a number of requirements related to the size of the company, qualified personnel and state-of-the-art training facilities. Having fulfilled these conditions, they are certified as a training enterprise. To ensure the development of relevant, comprehensive skills in the student, on which partnering companies capitalize following graduation, skills are matched to the curriculum of the UCE courses of study. Due to this, graduates of the UCE enjoy distinct advantages in comparison to graduates from traditional universities in terms of career development. For example, a recent survey by IBM Corporation shows that UCE graduates tend to have rapid career advancement immediately after graduation, earn more money and hold higher positions than similar colleagues from traditional universities (Leitl, 2001). Financing the studies of UCE students leads to multiple advantages for contracted corporations as well. Compact, intensive courses of study and work-integrated programs enable companies to educate highly qualified, young professionals with skills targeted to specific human resource needs. This outcome has also been revealed in six major empirical studies from the USA, which addressed the benefits to employers of participating in cooperative education programs. Some of the positive aspects of being involved in cooperative education programs pointed out by companies are, for example, the screening of new employees or interacting positively with universities (Braunstein & Loken, 2004).

The UCE Ravensburg began its teaching activities in 1978 in the fields of business administration and engineering to cover the need for qualified graduates. With some 2,300 students and over 850 partner enterprises today the UCE Ravensburg is among the larger institutions described above. The UCE Ravensburg as well as its other sister institutions are 100% financed with public funding provided by the state of Baden-Württemberg. So far there was no need for the university to generate further income. Additional funds are provided by the 'Verein der Freunde und Förderer BA Ravensburg', an institution of family and friends of the UCE Ravensburg.

Awards funded by partnering companies have a tradition at the UCE Ravensburg. The first one created was called the 'Waeschle-Preis', named after the company Waeschle which started to sponsor the award in 1991 for best practice in the study field engineering. In 1992 the 'Ravensburger Medienpreis', an award for the best student in the media and communication management program, was established. This prize is financed by the Landesbank Baden-Württemberg. This can be regarded as sponsorship in its best sense, as there is a contribution to the University from a company, which, in turns, will be used within the company communication.

Intel's Role in Education

Intel in Germany recently started to cooperate with the UCE Ravensburg, mainly on student projects regarding marketing and advertising for the education programs that run across the globe. Education has been the cornerstone of Intel's strategic global philanthropic efforts since the company was founded. Over time, Intel has invested more than USD 1 billion worldwide in various education initiatives. Working with educators, governments, industry and multilateral organizations, Intel designs and delivers innovative and unique programs making technology more readily available in more than fifty countries on six continents. From kindergarten to higher education, Intel is encouraging the use of technology to improve teaching and learning, as technology fuels knowledge and ultimately economic growth in every nation. For a country to maintain its competitiveness, its universities must produce a pipeline of talents that continually innovate and contribute to the advancement of the nation (Osburg, 2007).

The innovation and technology of tomorrow begins locally today in top universities around the world. The Intel Higher Education Program focuses on collaboration with universities to develop entrepreneurship, research, and curriculum programs that help communities thrive in today's knowledge economy. For example, Intel has created a state-of-the-art curriculum for technology entrepreneurship, a curriculum that supports the transfer from student research to products produced by industry, thus creating jobs and wealth for the economical system. This curriculum was developed in cooperation with the University of Berkeley and is now brought for free to Universities around the globe.

For Intel's education initiative, knowledge is the source of comparative advantage in today's global economy. Technology enables the rapid evolution of ideas and industries, and those who benefit most are those who can innovate and adapt most quickly. For these reasons, success at the individual, and ultimately the national level, is linked to the quality of education. Students must develop key 21st century skills such as digital literacy, problem solving, critical thinking and collaboration. Through a sustained public-private partnership (PPP) with educators and governments around the world, Intel delivers professional development programs that improve the effective use of technology to enhance 21st century skills (Osburg, 2007). The benefit for the governments in this PPP is obvious: a private company supports professional development for teachers with programs, which are developed within ministries of education, thus this teacher training fits the national curricula, supported by a private company.

Intel strategically applies the model of PPP concepts, rather than pure financial support or sponsorship in return for communicational rights. As the education initiative is an integral part of Intel's corporate social responsibility activities, the striving for partnership status in addition with providing funds, is critical. Moreover to its support for teacher programs and technology entrepreneurship programs at research universities, Intel has also realized the need for support at universities of cooperative education in Germany. The company recently supported a project for new creative forms of advertising, thereby linking a running advertising campaign with its various educational programs. In other words: Despite the above mentioned focus on research projects and professional teacher development, the company accentuates the need to engage in long term cooperation with a non-research university for the mutual benefit of the company, the university and society in general. This sponsorship is less focused on financial transactions but rather in knowledge creation and knowledge transfer. Therefore the sponsorship model that is applied in this case can be

described as a PPP that integrates service support, knowledge transfer and partially financial contributions.

The Award

The Cooperation of Communication Agencies (GWA) in Germany supports and holds the patronage for the project 'junior agency'. Students from universities of cooperative education jointly work on real-life case studies together with communication agencies based on clients' briefing and develop concepts and solutions for a given case. Teamwork and cross-faculty thinking is critical here: It is required that students from a business faculty (e.g., marketing or communication) cooperate with students of a faculty of art (e.g., such as media design).

At the beginning of each trimester, participating agencies invite professors and students from a UCE to a briefing and familiarize them with the scope of the program that is taken out of day to day agency work. The students and professors form teams which compete against each other. The agency is also responsible for getting data and required material from the company (in this case the client company is Intel). If further information is needed by the student/professor teams, this has to be noted during the briefing process. In addition a time frame will be established, typically 8 to 10 weeks with 3 to 4 sessions for re-briefings or prepresentations of results. Representatives of the company are usually invited to participate and follow the process closely as well as to help and give feedback.

Within a trimester (3 to 4 months), students have to do market research, a thorough market analysis, develop a communication concept and deliver a media plan as well as a control mechanism for the proposed media activities. Each student/professor team, also named 'junior academy' should not have more than 10 participants. Also junior academies can work in parallel, if needed. This is up to individual agreements with the coaching agencies. At the end of the trimester, teams present their results at the so called national GWA Junior Agency-Day, were the selection committee and the agency involved will be present. Each team has 30 minutes to present its strategic and creative concepts. The members of the highly qualified 'jury' (e.g., CEO's from agencies, professors and top industry management) will evaluate the presented work and award the winning teams with a metal named 'junior' in gold, silver and bronze. Each winning team receives a prize of 800 or 600 or 400 Euros. In this case the sponsoring is not the price money, moreover it is the sponsoring of knowledge and 'human resources', respectively the support of the agencies involved.

Win-Win Situation

The cooperation for the award, as described above, is seen as a true 'win-win' situation from the perspective of both Berufsakademie and Intel, as it goes far beyond the usual donation of money in exchange for the right to use this fund giving within companies' corporate communication.

Berufsakademie Ravensburg

Cooperating with a large corporation clearly provides a competitive advantage in search for future students. It shows the attractiveness of the institution in a market that will be challenged soon by a declining number of students. Starting to lay the groundwork of cooperation with future employers significantly raises the profile of the university (Reinhard & Waterkamp, 2006). The UCE Ravensburg can offer additional value to their students by

providing first-class practical education and networks. Very often, students are already hired before leaving the university and an institution that helps to open these doors is highly regarded. In addition the University can also improve the quality of teaching it offers with lectures from practitioners. This might be considered a 'reality check' for students, but sometimes also for teachers and professors who are constantly confronted and challenged with new developments outside their school. From a financial perspective, university and students also receive direct funding for necessary expenses, that is, material, travel or services needed. This money is often missing and therefore helps to maintain projects that involve external cost.

A source of financial aid for the University is also the donation of equipment. The UCE Ravensburg, for example, receives free products from the company, which may be kept within the institution even after the award sponsorship. Usually, this is attractive for the donating company as well, as it is similar to product-sampling activities among target groups. Another form of support to the university lies in the field of services. Intel offers various forms of service support, that is, the organization of the event, the usage of the in house computing capabilities, the transfer of knowledge, and so on. The University greatly benefits from these offers (Osburg, 2006). Corporate volunteering from company employees is more used in the USA, but it is increasing in Germany as well as shown in this case. Volunteers from Intel Corporation are able to leave their work place in order to work on these joint projects with the university, while they continue to be paid by the firm.

Students of the Berufsakademie Ravensburg

Students can use their theoretical knowledge in real work life with customers and agencies alike on real projects. They learn about the process and discrepancies within the client-agency relation. Understanding needs of the customer and requirements of the agency, they acquire a real life knowledge that is very valuable for their future qualification and cannot be found in books or lectures. In addition, by studying through practical work the day-to-day activities of agencies and thus training themselves for teamwork and competitive situations, students learn different behaviors in dealing with new situations. Interdisciplinary work and collaboration are seen as key factors for successful employees. Participating students also meet potential employers on both, the agency and the client side. They are able to create valuable contacts with professionals in their field of competency and thus start building networks for their future career.

GWA Award Agency

The coaching agency discovers talented, top-level students interested in working in particular fields of communication. Furthermore the agency improves their reputation at the university and may be seen as a trusted partner for sustainable cooperation.

Sponsoring Companies

The client companies, offering the material for the award, are getting additional benefits from the agency by getting new perspectives on their issue in question. If the project is chosen wisely by the company, it can be an unbiased input from the core of the potential target group, knowing the language that is needed to draft and implement a successful campaign. By supporting awards like the junior agency, companies also increase their external reputation as they sponsor 'true' non-profit activities in the field of education. As mentioned,

public funding for all educational institutions is decreasing, thus companies can demonstrate their willingness to help to secure the educational system.

CONCLUDING REMARKS

The current situation in the education sector necessitates that academic institutions become more flexible in terms of their approach to academic funding and also that they ensure the appropriate return for businesses that are willing to sponsor them in their academic activities. The example of educational sponsorship discussed in this article shows that this is already happening. The German model discussed in this article shows how a cooperative university in Germany was able to obtain assistance from a large business (in this case, Intel) for a new form of cooperation. It is interesting to note that the company was interested in reflecting a socially responsible image and was not as concerned about the specific content of the case study as much as with the learning experiences of the students.

Sponsorship by businesses and foundations can provide imaginative solutions to the funding of higher education, all the more vital at a time when new technology has brought about revolutionary changes in private and work life. Not only can business provide the necessary funding, but it can also facilitate a more effective and pragmatic approach to education. This pragmatism will necessarily improve the quality of education in work-related programs, which in the past have been accused of failing to interact with the demands of the real world.

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The Asia-Pacific Journal of Cooperative education (APJCE) arose from a desire to produce an international forum for discussion of cooperative education issues for practitioners in the Asia-Pacific region and is intended to provide a mechanism for the dissemination of research, best practice and innovation in work-integrated learning. The journal maintains close links to the biennial Asia-Pacific regional conferences conducted by the World Association for Cooperative Education. In recognition of international trends in information technology, APJCE is produced solely in electronic form. Published papers are available as PDF files from the website, and manuscript submission, reviewing and publication is electronically based.

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