

***INCREMENTA ATQUE DECREMENTA\* ...***  
**MANAGING THE UNIVERSITY RESEARCH CENTRES:  
THREE CASES AND A COMMON MANAGEMENT ISSUE**

**Cezar Scarlat**

*PhD Supervisor, Doctoral School of Entrepreneurship, Business Engineering & Management,  
National University of Science and Technology POLITEHNICA Bucharest (Romania)*

**Abstract**

The aim of this paper is to raise, amid several decision process issues, a major question: Is there any common reason behind failure in some cases encountered in higher education research centres or laboratories? If so, is it a matter of lacking professionalism or management skills; human nature or local culture; or environment pressure? This seems to be a rhetorical question – as the cause could be any or a mix of them, in addition to scores of others – depending on particular environments. However, the main purpose of this paper is to launch a discussion about possible administrative and management causes behind the research centre's failure, and management conflicts eventually – both inside and outside university – yet related to the management of research units within universities. As methodology, the study largely relies on directly observed and/or personally experienced particular instances in the Romanian university environment – over a relatively long period of time (1980s–2000s). Secondary literature survey complements this primary research under scrutiny – illustrating the matter under investigation. There are three cases of university research centres with different profiles and importance, all sharing one common feature: failures after successful start. The investigation approach is by the domain of research, from macro- to micro-level (organizational). The conclusions resulting from each case are assessed, highlighting similarities and differences. As the focus is on the management issues, a particular root-cause has emerged. In all instances, the abrupt change of positive course of the research centre was a common management issue. *Notably, the failure cases under scrutiny are particular instances, among plenty of successful stories.* The concluding remarks are focused on a set of recommendations centred on the main findings (proper, principle-based management of the research centre, careful environment monitoring, timely information, change and conflict management) – to be recommended to the stakeholders: higher education policy makers, administrators and research managers.

**Keywords:** *University research centre, university centre for excellence, research and didactic laboratory, university administration and management, management principles.*

---

**1. Introduction**

This paper is not about the rise and fall of empires or the decline of great powers (Rapley and Heather, 2023) as the title might suggest, but about contemporary, less prominent organizations – like university research centres. However, there is one similarity: organizations, like more complex systems as empires and great powers, have their own lifecycle (Greiner, 1989; Lester, Parnell and Carraher, 2003; Bento and Alves, 2014; Jenkins, 2016), growth and glorious periods end up less gloriously, if not in ashes. There also are lessons to be learnt in both cases, and—as *The Economist's* (2023) book review shows—organizations don't always collapse but reinvent themselves, survive and thrive, despite many “Thucydides traps” (McCormack, 2023) embodied by competing organizations.

This paper opens a discussion on the causes that may provoke the collapse of the university research centres—despite their promising start-up—notably, *from causes other than competition* (“Thucydides traps”). In other words, the scope of work is less investigated (it is rather scarce from that

---

\* *Incrementa atque decrementa* [Latin] is inspired by: *Historia Incrementorum atque Decrementorum Aulae Othomanicae* [*The History of the Growth and Decay of the Othman Empire*] written (1716) by Demetrius Cantemir (1673–1723), Romanian prince; encyclopaedist, man of letters and statesman who has also served as Voivode of Moldavia Principality twice (1693; 1710–1711).

standpoint of literature) for at least two reasons: (i) small research organizations are less studied than larger companies; (ii) the reason of failing is other than competition (i.e., internal rather external).

In addition, the specific scope of work is even narrower (the higher education environment; and smaller departments of the university—research centres or research laboratories—as advanced research units), limited to prominent Romanian higher education institutions. Therefore, the main research question is this: Is there any common reason (other than fierce external competition) behind the failures encountered in higher education research centres or laboratories? If so, is it a matter of lacking professionalism or management skills; human nature or local culture; or environment pressure? This seems to be a rhetorical question – as the cause could be any or a mix of them, in addition to scores of others – depending on particular environments. However, the goal is *to identify the root-cause in the area of administration and management*, and management conflicts eventually – both inside and outside university – yet related to the management of university research units. In addition, to launch a discussion around errors identified while managing the research units, and to formulate a *set of recommendations for the main stakeholders* (from research founders and funders to research managers) are ultimate objectives.

Consequently, the remaining of this paper is structured as follows: methodological approach; the core primary research based on cases of failing university research centres; discussion of findings and recommendations; research limitations and further research avenues; and conclusion.

## 2. Methodological approach

This study relies on secondary and primary research mainly – i.e. direct observation and/or personal experience related to particular instances in the Romanian university environment (namely medical, engineering and entrepreneurship studies)—over a relatively long period of time (1980s–2000s), before and after communism collapse in Eastern Europe. Secondary literature survey complements this primary research under scrutiny, illustrating the matter under investigation.

The case method serves to address the research objectives. There are three cases of university research centres with different profiles and importance (from local to national), funded from different sources, all sharing a common feature: failures after successful start (failure in terms of missing the strategic objectives, set according to their initial missions). The failure cases were selected subjectively (by author) based on his experience and own research. The selection criteria considered different domains of research, from macro- to micro-level (organizational), accidentally corresponding to reverse-chronological order. Since the focus is on management issues, a particular root-cause analysis was used.

## 3. Three cases of failing university research centres

A recent piece of news with some media echo (*Case 1*) was the spark for this piece of work. Two other summarized cases are symmetrically presented, on both sides of the historical cornerstone, which was the Romanian “1989 Revolution” (*Case 2* right after it, and *Case 3* right before). There were very different circumstances, yet similar promising start, followed by unexpected collapse. This is an attempt to explain the collapse. Each of these cases actually deserves an extended, in-depth study. Ciurea (2022) depicts the *Case 1* in more details, colours and feelings.

### 3.1. Case 1: A centre for excellence in neurology and neurosurgery

Founded back in 1975 as a national neurosurgery hospital, and extended in 1993 as an emergency hospital, this hub of medical services currently hosts the largest neurosurgery clinic in Romania. It also functions as an important advanced research, education and training centre in medicine.

In 1999–2000 the government has launched a project to fund a *Centre for Excellence in Neurology and Neurosurgery* (CENN) in this hospital, aiming to provide top medical services and conduct advanced scientific research in neurology and neurosurgery. According to Ciurea (2022, pp. 245-248), top medical equipment was acquired, including a GKS (Gamma Knife Surgery) system.

The CENN project was successfully completed in 2004, and the Minister of Health officially opened CENN in March 2005. The cost of this green field investment was €31 million for a 5,000 sqm building that included world-class medical utility infrastructure and equipment. The first patients visited the CENN and it seemed to have a promising take off and glorious future.

Unfortunately, in 2006, a government reshuffle (Minister of Health included) and an inspection of the new minister had as a result downgrading the hospital and turning the CENN into a regular neurosurgery hospital (emergency unit included) – as reported by Ciurea (2016; 2022). Fact is that CENN failed so quickly that it not only struggled for existence in the stage one of their lifecycle (Lester, Parnell and Carragher, 2003) but it also barely reached the early phases of small business growth (Churchill and Lewis, 1983). This rapid and unexpected extinction of CENN—recently narrated by the former CENN director—had

a strong reverberation in the author's business memory, which instantly recalled older somehow analogue cases (*Case 2* and *Case 3*).

In the CENN case it is rather difficult to discern the right and wrong between the Ministry of Health's criteria to decide CENN founding and funding (1999–2005) and the arguments of the same Ministry of Health (nevertheless, another minister) to decide CENN downgrading (2006), and collapse eventually. It is beyond the purpose of this study to judge that, based on limited information.

However, it is surprising that such costly contradictory decisions happened. On the other hand, it was an obvious *misalignment between a research project within hospital and the hospital strategy and overall strategy of the Ministry of Health*. Anyway, the root-cause of the CENN collapse was external to the research centre (a strategic decision made outside CENN).

### 3.2. Case 2: A center for business excellence

This story is older. The Romanian 1989 revolution came up with huge local enthusiasm and international waves of sympathy. The sympathy was soon followed by assistance programmes, mostly for developing the democracy, free-market economy, civil society and civic organizations. Some donors focused on reforming the education system.

Co-funding centres for business excellence in major Romanian universities was such a project. In particular, it was agreed that a Center for Business Excellence (CBE) to be developed in a major technical University – with the mission to stimulate and develop business education as well as support services as consulting, training and research (1991). Among other results, a team of local professionals and teaching staff were the beneficiaries of business management training by US university counterparts and soon they were certified as *business counselors*. A flexible organizational structure was developed by a core team of five professional and master consultants supported by an IT expert and an administrative clerk (occasionally extended to 15 people, including intern students). In the following years, CBE has developed organically, provided business services for over 2,000 entrepreneurs across Romania and Republic of Moldova (1998), and eventually became the hub of a national CBE network (Big, 2004).

CBE staff have produced and edited ten issues of a book series—*Research in Business Management*—between 1999 (*Issue 1*) and 2005 (*Issue 10*), referring to research projects conducted in CBE (e.g., *Issue 3*, *Issue 10*) in about a decade (1996–2005). On top of these, three doctoral research projects were conducted by CBE professionals, and associated PhD theses were successfully developed and defended (Scarlat, Bodo and Stanciu, 2001). The results of the CBE research work have influenced the entrepreneurial education in Romania. The first Entrepreneurship subjects were included in the University curricula (since 2000), followed by the first Romanian books on entrepreneurship and business management (Scarlat, 2001; 2003).

The activity of the CBE has enjoyed *national and international recognition* (member of the *US Association of Small Business Development Centers*, 1993; *Project of the Year Award*, 1997 by National Association of Management and Technical Assistance Centers from USA).

By the time the Romanian Ministry for SMEs awarded the *Project of the Year* to CBE for organizing *Business Plan Contest* for students (2008) and CBE was nominated for the *European Enterprise Award* (Prague, 2009), the University leadership decided to dramatically (literally) change the CBE course. With no notice—during the winter holidays—they allocated the CBE facility to a different purpose, and disposed the existing materials for recycling.

Obviously, the CBE dissolution happened during its maturity stage of the organization lifecycle (Lester, Parnell and Carraher, 2003). Hypothetically, in case of reasonable communication between CBE and University leadership, a possible transition to the fourth stage (renewal) would have been possible. At that moment, the facts demonstrated a neat misalignment of the CBE objectives with University strategy. The further development (the current interest of University demonstrates a clear orientation towards projects for developing entrepreneurship skills) depicts a different diagnosis: the CBE was probably born too early. In other words, the “strategy gap” is about a decade. Despite the CBE dissolution, the CBE-trained and experienced professionals have valued their experience, continued their research projects, and extended their international cooperation (Antoncic et al., 2007; Scroggins et al., 2016).

### 3.3. Case 3: A laboratory for ergonomics studies

This story is even older: it started during the last decade of the communist regime and centrally planned economy in Romania—as in other east-European countries (1980s)—and ended during early turbulent years of the post-communist transition to a free-market economy (early 1990s).

The *Laboratory for Ergonomic Studies* (LES) started its activity as a research centre and education laboratory associated to the Management Chair within a large Romanian technical university. The necessary support materials were prepared (Scarlat, 1983) and a proper location was assigned. LES was properly

equipped (from equipment to test work micro-climate to equipment to test working skills) as well as necessary staff support (laboratory coordinator, technical and secretarial support).

The number of students and faculties served by LES increased for a few years in a row, to that level that ergonomics classes in this laboratory were included in the engineering syllabi and curricula.

Then relatively quiet University elections were followed by violent and radical changes because of the “revolution” (December 1989) that has affected the university life for years. Before disappearing completely, the LES equipment was removed and placed in a storage room (with the blessing of the new leadership of University, faculty and chair). End of the story.

By the time of its brusque collapse, LES was reporting some success, probably towards reaching its maturity stage – according to Lester, Parnell and Carraher (2003, p.343).

It is rather difficult to assess the status of the hypothetical “future FES” in the “what if” scenario. Undoubtedly, the regime change was a historical fact, aligned with the political movements in the Eastern Europe by the end of last century. However, was the ergonomics removal an essential part of the regime change? Surely, not; it only was one of the numerous collateral, unnecessary victims. Worldwide, *Ergonomics did not disappear*; it only continuously adapts to the newer jobs (which is a strong reason to study this area). Then, why all these happened?

The root-cause emerges to be not only misalignment of the LES objectives with the University strategy, but also the lack of strategic vision (if not the lack of any strategy) at all management levels in the University. Apparently there also are two aggravating factors at both sides of the hierarchy, from macro- (tempestuous revolution) to micro-level (human nature oriented towards own interest); the first as an “opportunity” for the second, unfortunately.

#### 4. Discussion: Findings and recommendations

The cases investigated display a large variety (research area, period of activity, activity peculiarities, circumstances of founding and dissolution, people involved – to name just a few). The major difference, from management standpoint, is the stage of their life cycle in which they have failed.

However, as their selection was based on a single criterion (they suddenly failed, apparently with no explanation), it was challenging to conduct the investigation (focused on management issues) up to the point of revealing—as it was expected—the root-cause of that abrupt change of positive course of the research centre. This was a common management issue in all cases investigated: a conflict (misalignment) of the objective/s of the research centre with the strategy of the larger patronizing organization.

The findings allow the formulation of a set of recommendations as follows.

- The founding of such research centres (RC) in a higher education organization (HEO) should be based on longer-term vision and not on short-term interest (apparently bringing advantages).
- The RC activity and objectives must be in line with the HEO strategy.
- Environment monitoring and timely information exchange between RC and HEO would help to keep the above alignment.
- The RC should organically be integrated in the structure of the HEO; yet the HEO Constitution should provide reasonable limits for flexible RC management.
- Besides functional and hierarchical management relationships, the HEO Constitution has to include clear (*not bureaucratic*) provisions related to financial relationships between HEO and RC, mainly in the perspective of RC financial self-sustainability.
- Conflicts between RC research projects and HEO (project *versus* organization-type) should be detected in their early stages; they can be avoided by keeping regular meetings and clear communication protocols.
- While working in a multicultural environment, developing industry-specific vocabularies would be beneficial (Scarlat and Sârbu Bărar, 2023).

#### 5. Conclusions, limitations and further research avenues

This piece of work has reached its objectives. However, despite its novelty and contribution to filling the knowledge gap related to the failures of research centres within Romanian higher education organizations, this is just opening Pandora’s Box – as further questions may emerge.

Obviously, the number of cases surveyed is a serious limitation; yet the findings open research paths for further longitudinal and mainly transversal studies – extending the investigation on more failure cases, by activity periods and regions as well as research areas. Further studies on similar cases in other countries might lead to comparative studies.

On the other hand, in-depth and extended studies in each case with more detailed objectives might reveal novel findings. Finally, three comments are noteworthy:

- Usually the success stories are reported, and investigations are looking for successful people and organisations. This study follows the opposite approach.
- The failure cases reported are particular instances, among plenty of successful stories.
- Despite RC failures, the RC people (mainly young professionals) ended up stronger; they are more experienced as beneficiaries of lessons learnt, hopefully.

### Acknowledgment

The author is grateful to all colleagues, with whom he worked along 1990s developing the Centre for Business Excellence (CBE) and the CBE Network, sharing enthusiasm, efforts, and proud satisfaction for reporting unforgettable achievements; yet with whom he was discussing the reasons behind CBE failure, and still sharing fond memories about that formative time of their careers.

### References

- Antončić, B., Prodan, I., Hisrich, R. D., & Scarlat C. (2007). Technological innovativeness and firm performance in Slovenia and Romania. *Post-Communist Economies*, 19(3), 281-298.
- Bento, R., & Alves, H. (2014). Exploring the Life Cycle of Public Organizations: Implications for Strategic Management. *International Journal of Public Administration*, 37(10), 639-650.
- Big, R. (Ed.). (2004). *Modern Tools for Entrepreneurial Training. ICTWAY 2003*. Baia Mare, Romania: CDIMM Maramureş Foundation.
- Churchill, N. C., & Lewis, V. L. (1983). The Five Stages of Small-Business Growth. *Harvard Business Review*, May 1983. Retrieved January 3, 2014 from: <https://hbr.org/1983/05/the-five-stages-of-small-business-growth>
- Ciurea, A. V. (2016). Cu tristete, despre Centrul de Excelență în Neurochirurgie din București [Sadly, about the Centre for Excellence for Neurosurgery in Bucharest]. *România Liberă* online, 27 June 2016. Retrieved March 6, 2023 from: <https://romanalibera.ro/special/cu-tristete-despre-centrul-de-excelents-in-neurochirurgie-din-bucuresti-421100>
- Ciurea, A. V. (2022). Neurochirurgia [Neurosurgery]. In *Sănătatea creierului [The Brain Health]* (pp. 225-250). Bucharest, Romania: Bookzone.
- Economist. (2023). The decline of great powers: Roman lessons. *The Economist*, May 27th 2023, p. 76.
- Greiner, L. E. (1989). Evolution and Revolution as Organizations Grow. In D. Asch, & C. Bowman (Eds.), *Readings in Strategic Management* (pp. 373-387). London, UK: Palgrave. DOI: 10.1007/978-1-349-20317-8\_25
- Jenkins, M. (2016). Business life cycle and organization life cycle: A review, synthesis and extension. *International Journal of Management Reviews*, 18(1), 42-64.
- Lester, D. L., Parnell, J. A., & Carraher, S. (2003). Organizational life cycle: A five-stage empirical scale. *The International Journal of Organizational Analysis*, 11(4), 339-354.
- McCormack, W. (2023). The Thucydides Trap. Can the United States and China avoid military conflict? *The New Republic* online, March 17, 2023. Retrieved January 3, 2014 from: <https://newrepublic.com/article/170954/united-states-china-war-thucydides-trap>
- Rapley, J., & Heather, P. (2023). *Why Empires Fall: Rome, America, and the Future of the West*. New Haven, CT, USA: Yale University Press.
- Scarlat, C. (1983). Ergonomie industrială: Îndrumar de lucrări practice [Industrial ergonomics: Guidelines for practical works]. In T. Homoş, & C. Scarlat (Eds.), *Ergonomie Industrială [Industrial Ergonomics]* (pp. 67-348). Bucharest, Romania: Institutul Politehnic Bucureşti Press.
- Scarlat, C. (2001). *Inițierea, dezvoltarea și managementul afacerilor mici și mijlocii [Small Business Start-up, Development and Management]*. Râmnicu Vâlcea, Romania: Editura Conphys.
- Scarlat, C. (2003). *Antreprenoriat și managementul întreprinderilor mici și mijlocii [Entrepreneurship and small business management]*. Bucureşti, Romania: Editura Printech.
- Scarlat, C., & Sârbu Bărar, D.-A. (2023). Towards a transcultural approach for inter-professional communication in complex IT project teams—Aiming to avoid cross-functional and cross-hierarchical conflicts. *Systems*, 12(1), 10, published online 29 December 2023. <https://doi.org/10.3390/systems12010010>
- Scarlat, C., Bodo, F. V., & Stanciu, D. R. (2001). *Cercetări privind managementul organizațiilor românești în tranziție (1995-1999) [Studies on the management of Romanian organizations in transition (1995-1999)]*. Research in Business Management book series, Issue 3. Bucureşti, Romania: Printech.
- Scroggins, W. A., Rozell, E. J., Elenurm, T., Alas, R., Scarlat, C., & Fuentes, J. L. (2016). Entrepreneurial success factor attributions: A qualitative investigation of Estonian, Guatemalan, and Romanian cultures. *International Journal of Economics and Business*, 5(1), 25-51.