Chapter 27
Determinants of Controlling in a Non-Public Higher Education Institution in Poland

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ABSTRACT
The basis of any business, including non-public Higher Education Institutions (HEIs), is financial security, which is ensured by achieving sufficiently high profits and financial liquidity. Especially in these times, a rapidly changing market, the competition, and the upcoming birth rate forces HEIs to optimize operational and strategic decisions. On one hand, it creates new opportunities for non-public HEIs, but on the other, it is a source of danger for the future of their operations. Therefore, they must not only overcome the difficulties encountered in everyday life but also try to respond to the challenges posed by their environment, demonstrating the special care to ensure the efficiency of their operations. They must not only try to increase the quality of offered services or manage their funds rationally but with equal attention should “invest” in modern management methods and concepts. Through the use of controlling, contemporary non-public HEIs are able to choose an optimum variant of decision facilitating the achievement of their goals. In view of the above, this chapter discusses the special considerations relating to controlling HEIs from the point of view of increasing their effectiveness.

INTRODUCTION
The concept of controlling is of key importance in the process of managing a non-public HEI. The dynamic market of educational services forces higher education institutions to look for modern management methods that will enable them to eliminate some degree of uncertainty and to take better decisions. Given the significance, amount and complexity of information used in the decision-making process, more and more attention is being given to modern solutions that
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can support management efforts. Controlling, which by providing the right solutions and tools, supports the management of non-public HEI and enables them to customize the internal and external conditions and to maintain, or even improve the current competitive position of the HEI. Therefore, it is considered to include in the management of non-public HEI opportunities resulting from the application of the controlling concept. Often you can meet the statement that the concept of controlling a sewn-made and somewhat adjusted to the actual needs and circumstances of the entity, which will be implemented. When designing controlling at the University should consider the specific non-public HEI as a business entity, which on the one hand has to fulfill a specific mission - education - but on the other hand has to meet the growing demands of the market. According to J. Weber purpose of controlling is to “improve the effectiveness and efficiency of management and the strengthening adjust to the changes taking place inside and outside the company,” (Weber, 1995, p.50). The main task of controlling in a non-public HEI should be to provide the conditions for long-term existence HEI and stability of the employment, which is achieved by creating the appropriate internal structures at HEI and by integrating the objectives (growth, development, income) with the information system. Controlling can offer non-public HEI the opportunity to move away from a chaotic structure (without a properly defined channels of information flow, relationships and power) in the direction of decentralized hierarchical structure leading to more efficient management of the university. Controlling enables faster response to emerging disturbances and shows which products (directions, specialties) are a burden for the university, which should be considered as strategic. This gives the HEI an opportunity to design their future actions in order to make better use of their resources and increase capacity. However, controlling implementation in the such a specific and complex entity, which is a non-public HEI, must be sanctioned by the authorities. Without awareness of the university authorities what in fact is controlling, what are its advantages and disadvantages it will be seen as another element of HEI bureaucracy. However, correctly implemented controlling is like an early warning system. For non-public HEI operating in a competitive and rapidly changing market, it is extremely important. The managers of HEI, having reliable and current information, they are able to respond in a timely manner to changes in the external environment or within the university.

CONCEPT OF CONTROLLING WITHIN AN ORGANISATION

Controlling is regarded as a relatively new concept. Etymologically, the term ‘controlling’ derives from the Latin contra and rotulus, on the basis of which in the 12th century the French term contre-role (control) was coined, and in English the term counterroullour was created (designating a person making a control roll to verify the correctness of the entries in the original roll). (For more about the etymology of the term controlling, see Tyrała, Steplewski, 2003, p. 45-47.) In Middle English, the words “to keep a copy of a roll of accounts” meant keeping a copy of a roll of postings (The Concise Oxford Dictionary of Current English, 1990, p. 250). Then, as a result of wrong interpretation of meaning, the term comptrolling was created, and in the 15th century, as a result of another mistake, official writers changed it into countrolling (The Oxford English Dictionary – vol. II, p. 928). The following centuries brought further changes until the current form controlling was coined.

In Europe, controlling appeared in the 1950s as a result of establishment of subsidiaries of American companies. Then it was adapted and implemented in German companies (e.g. at the end of 1960s at Continental [Steinle, Bruch, 1998, p. 6-7]), in Switzerland, France and then in other countries. Changes of the political and economic system of the 1990s enabled the introduction of