INTERNATIONALISATION OF UNIVERSITIES

IN MALAYSIA

A thesis submitted in fulfilment of the requirements for the

degree of Doctor of Philosophy

By

Shaidatul Intan Natalia Mhd Jabar

LLB, MSc

ACKNOWLEDGEMENTS

"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair." – Charles Dickens.

'You never know how strong you are until being strong is the only option you have.'

CHAPTER ONE: INTRODUCTION

1.1 Introduction: Internationalisation and Malaysia

Internationalisation of higher education has been increasingly recognised as a major trend since the late 1980s. Exchanges of faculty and students soon became common and at the same time universities are also motivated to respond to the needs of the rapidly globalising economy. Bennell and Pearce (2003) found that this is done by universities through internationalising their curricula. In addition, differences in national education policies have also narrowed significantly during the last decade. Moreover, the value of education exports from some developed industrial economies has grown exponentially as education institutions and government themselves have been offering a wide range of education and training services (Bennell and Pearce, 2003). This, coupled with tremendous change in the education landscape of Malaysia, particularly at the tertiary level where the country is fast becoming a centre of educational excellence in the region, has been a major factor that has motivated this research.

Furthermore, private education leading to vocational and professional qualifications is playing an increasing important role in higher education and is also consistent with the move towards privatisation in public higher education institutions (PHEIs) in Malaysia. These developments, which were brought about from policy initiatives, have led to a rapid expansion in the number of institutions offering higher education and greater diversity in the number and types of providers operating in Malaysia. In 1996, the Malaysian government announced a major change in its higher education policy, whereby foreign universities are now encouraged to establish branch campuses in-country rather than rely on arm's length collaborative links with local and mainly private institutions (Bennell and Pearce, 2003). Bennell and Pearce (2003) noticed that these changes stemmed from growing concerns to maintain high, internationally acceptable education standards in the light of extremely rapid growth in enrolments. Such policies have created a favourable investment climate for foreign universities wishing to invest in Malaysia.

Lee (2004) reported that universities are being made to operate like business organisations. She also observed the transformation from producing and transmitting knowledge as a social good to emphasising the production of knowledge as a marketable good and a saleable commodity. As a result, higher education in Malaysia has become a highly competitive sector in which PHEIs have sought to improve the quality of their

education provision by partnering with foreign universities. This, accompanied by national policy to welcome foreign universities into Malaysia, has created great interest in the sector on a global scale.

The study therefore builds on existing research in the higher education sector of Malaysia. Specifically it will focus on the subject of internationalisation of universities. It was found that a vast number of literature on internationalisation of higher education tends to examined strategies in terms of curriculum and cultural issues (Law and Muir, 2006; Knight, 2004). Another branch of literature saw internationalisation as the consequence of globalisation. In addition, other studies also identify various jargons such as transnational, multinational and glocalisation which resulted in the confusion of what internationalisation actually means.

Furthermore, theories on internationalisation of higher education have always been treated separate from the theories of the internationalisation of firms. Only a small number of literatures would bridge the gap between both fields, one of which is Healey (2008). Healey adopted the Uppsala Model (1977) when trying to understand whether or not higher education internationalisation is internationalising. However, this is without success. It is important to note that, the mistake made by Healey was to incorporate a model which has been consistently updated. Therefore, building on Healey's literature, this study therefore aims to understand the internationalisation process of universities by adapting the Business Network Internationalisation Process Model as proposed by Johnason and Vahlne (2009) will be examined. A more extensive discussion is as explained in Chapter Two: Literature Review.

Therefore, in order to understand the aim of this research, two research objectives are identified: (1) what is internationalisation and (2) what are the important components when trying to understand internationalisation and (3) what are the theories pertaining internationalisation process. In order to answer, the aforementioned research questions, this study will therefore translate the different modes of entry within the context of higher education. This includes (1) direct export, (2) sales subsidiaries, (3) international joint venture or franchised programme and (4) the establishment of foreign branch campuses. In doing so, it is also important to understand the rationale behind the selection of Malaysia for the purpose of this study, this is as explored in Section 1.2.

1.2 The Nature and Significance of Malaysia

The first rationale behind choosing Malaysia is as reflected on Figure 1.1 Transnational Higher Education: Import and Export Activity in Selected Countries (Both Institution and Programme Mobility) illustrate the status of Malaysia as a major importer in which case the major exporter; UK and Australia have a dominance presence in the country. Therefore, there exist the two extreme players located in a country. Therefore, countries which would like to internationalise or be a major importer or major exporter could learn from Malaysia. Furthermore, Malaysia has also faced a major transformation.

Figure 1.1 Transnational Higher Education: Import and Export Activity in Selected Countries (Both Institution and Programme Mobility)

Major Importer

	Hong Kong	Malaysia Singapore			
		China India			
Mauritius Qatar UAE					
Greece Thailand Vietnam		Russia			
Jamaica Pakistan	South Africa	Canada Ireland	France Germany New Zealand	Spain	
				USA	Australia UK

(left label: **Little or No Export** — right label: **Major Exporter**)

Little or No Import

Adapted from Naidoo (2009)

Under the Universities and University Colleges Act 1969, five public universities were established in the 1960s and 1970s. However, Private Higher Education Institutions (PHEIs) were barred from conferring degrees from foreign universities to set up branch campuses. There was a significant shift of roles and functions in the private education system in early 1970s. This is an instance whereby local providers focused on providing pre-university courses as well as tutorial support to students in preparing them for external examinations in both semi-professional and professional qualifications (StudyMalaysia, 2005). In 1970, PHEIs were allowed to offer pre-university courses (Morshidi, 2005). However, the establishment of private universities was still barred in the early 1980s. This included an attempt to establish a private university by the Malaysian Chinese Association (MCA), a political party that forms part of the government coalition (Morshidi, 2005).

From the late 1980s onwards, as the government embarked on their attempt to liberalise the private higher education sector, this resulted in a radical shift. Eventually this radical shift resulted in the higher education sector becoming a global export industry, which is remains to this day (Brown, 2003). The domestic private higher education sector could only be activated after the mid-1980s when the global recession increasingly restricted the capability of both the non-Bumiputera families and the government to finance Bumiputera students studying abroad (Mok, 2009). This was also the consequence of limited number of places at public universities as well as with the increasing education rates of the population as a whole and the increasing cost of overseas education (Brown 2003). Nevertheless, at that time there were two factors which limit growth in the private tertiary sector: firstly, private colleges had to conduct their core tuition in Malay, which resulted in students searching for an English or Chinese language education overseas; and, secondly, due to the legislation at that time, private universities could not offer degrees, although many developed twinning programmes with their partner universities (Lee, 1999).

Regardless, the 1980s witnessed a significant change in the roles and responsibilities played by private colleges as providers of tertiary education. As a consequence of the global recession in the 1980s, a group of Malaysian academics from the University of Malaya and Institute Technology MARA started to offer undergraduate Bachelor's degrees at private colleges that they established (Tan, 2002). This then further resulted in the establishment of a few private colleges. Soon after, Dr Mahathir Mohamad (Malaysia's 4th Prime Minister) started to encourage local private colleges to explore twinning with foreign higher education

institutions (Tan, 2002). Subsequently, private providers became involved with innovative twinning and franchise agreements with foreign universities at bachelor degree level and for other qualifications (Morshidi, 2005).

At the end of the 1980s and 1990s, Malaysia witnessed an unprecedented and accelerated growth of private higher education. At the same time, due to the growth of information and communication technology (ICT), higher costs and a change in government policies reduced the number of Malaysians pursuing higher education overseas (StudyMalaysia, 2005). Among the pioneers were Monash University and the Sunway Group (Morshidi, 2005). The growth of twinning programmes introduced various models of credit transfers, for example one year study and two year study in foreign countries (1+2) (Tan, 2002). Colleges such as Inti, Metropolitan, This resulted in the ability of local colleges to attract students from middle and high income families through twinning programmes that they offer (Tan, 2002).

In the 1990s, higher education at degree level was still largely delivered by public universities (Shahabudin, 2005), and private colleges were yet to be allowed to offer their own degrees. Yet demand remained strong in the education market for degree programmes and professional courses. The Malaysian government view that highly skilled human capital is the nucleus of a knowledge-based economy has resulted in the government recognising the role of private higher education (Morshidi, 2005; Kamogawa, 2003).

In addition, rapid economic development in the 1990s increased demand for mass higher education, especially among those groups who demanded higher education in English. The public higher education system however failed to meet these demands (Tan, 2002). In contrast, this was not the sole reason for the rapid growth of Malaysian private HEIs in the 1990s. The growth was assisted by the number of high school graduates, rising income of parents and rising costs of public higher education (Ayob and Yaakub, 1999). Tan (2002) stated that this further led to the establishment of a group of single discipline private colleges such as the Asia Pacific Institute of Information Technology (APIIT) which focuses on information technology and Limkokwing Institute of Creative Technology which offers arts and design programmes.

The 1998 Asian Financial Crisis further encouraged the Malaysian government to restructure and transform the higher education sector. The restructuring and transformation involved the introduction of a series of reactive measures, including efforts to reduce the outflow of students to universities overseas (Ziguras, 2001; Tan, 2002). During the crisis, the drastic drop in the Malaysian exchange rate from RM2.50 to RM3.80 to the US dollar and, in 1995, the fact that 20% of Malaysian students were studying abroad cost the country around

US$800 million in currency outflow, which constituted nearly 12% of Malaysia's current account deficit. Subsequently, this resulted in a major foreign exchange earnings sector for Malaysia (Tan, 2002).

As a result, the government then provided an integrated legal framework through the enactment of The Malaysian Private Higher Education Institutions Act 1996 (amended in 2009) (QAA, 2011). The 1996 Education Act greatly liberalised the tertiary education sector, allowing for instruction in languages other than Malay and for the establishment of private universities (Brown, 2003). This resulted in the rise of formal arrangements with foreign universities to offer educational programmes ranging from certificate courses to postgraduate programmes (Lee, 2003).

As has often been the case in Malaysia, this process of privatisation had strong political links. Universiti Tun Abdul Razak (UNITAR) was one of the first beneficiaries of the privatisation policy, which was set up under the 1996 Education Act at the invitation of the Ministry of Education and started operations in December 1997. The company that operates UNITAR, is a company with strong political links to UMNO (Unitar, 2013). The chairman is also a member of the Supreme Council of UMNO and was also part of the UMNO Education Bureau. The Minister of Education had also invited the Malaysian Chinese Association in 2001 to set up another private university which aims to provide education for Chinese students. The aforementioned private university is known as Universiti Tunku Abdul Rahman (UTAR); with the then President of the MCA and Minister of Transport sat as the first director of the university's council (Brown, 2003).

In addition, public universities in Malaysia are also made up of 60% Bumiputeras, 23% ethnic Chinese and 7% ethnic Indians, with the remainder made up of other races (BBC, 2013). This continued to cause political problems and nurture ethnic tension. Whilst private education has provided an escape, the fact remains: it only assists students whose families can afford to finance their education (Brown, 2003). As a result, the quota system remained a major challenge for poor Chinese students. In 2001, Education Ministry statistics showed that 560 top scorers in Certificate of Education Malaysia (SPM) examinations failed to get university places and they were Chinese (Brown, 2003). With a shift to a knowledge-based economy in the mid-1990s and the failure of public institutions to offer places to the rising demand, higher education in Malaysia has been divided into public and private systems (Wong and Hamali, 2006).

However, Malaysia is not the country which faces such a predicament. This is as similar issues were faced Indian higher education in which case the array of policies aimed at

improving access and equity for tribal groups, lower castes, and dalits (a selfdesignation of the traditional ''untouchable'' or lower groups in the Hindu caste system). Policies relating to what in India is called ''positive discrimination'' are politically charged and often the subject of acrimonious debate, legal acrimony, and litigation (Altbach, 2009).

In order to manage such predicament, the Malaysian government pursued to partner with foreign higher educational institutions to offer educational opportunities for Malaysians in Malaysia. This then resulted in the government's aim to establish Malaysia as a regional hub for higher education in south-east Asia. The Malaysian government recognised that this would allow the country to manage currency outflow but at the same time it was a rather challenging task.

Following the restructuring of Malaysian higher education, there are two categories which characterised the Malaysian private higher education sector: (1) private universities and (2) private colleges (Tan, 2002). These institutions differ in terms of programmes offered. Private universities are allowed to offer their own home grown programmes but at the same time are not allowed to confer twinning programmes. Meanwhile, private colleges can offer twinning programmes but is not allowed to offer their own degree (Tan, 2002). Other differences include research engagement, staff qualifications and fees charged for education delivered (Tan, 2002).

With regards to research engagement, this is observed to be closely connected to staff qualifications (Ayob and Yaakub, 1999). Private universities must have a research portfolio whereas private colleges are exempted. Therefore, this reflect on the education level of the staffs employed, in the sense that in order to conduct research there is a need for private universities staffs to have a doctoral qualifications. In fact, the National Accreditation Board stated that the teaching staff at private universities must have the minimum of a master's degree. Therefore, for teaching staffs at private colleges having a first degree is an adequate requirement (Tan, 2002). In terms of fees, it is only fair for universities to charge more than colleges.

Ayob and Yaakub (1999) categorised five groups of private higher educational institutions in Malaysia: (1) large corporations or organisations closely linked with the government, (2) those established by large public-listed corporations, (3) others established by political parties, (4) independent private colleges, and (5) local branches of foreign universities. From 1996 onwards, the Education Act 1961 enabled the systematic growth of PHEIs. This resulted in the establishment of private universities with an intensified corporate presence in Malaysian private higher education. During this phase, Malaysia also saw a

significant influx of branch campuses of foreign universities. These corporations became interested in Malaysia due to its huge demand for education. However, the private higher education business only provided moderate return on investment, as compared with other services (Ayob and Yaakub, 1999). The collaboration between the corporate sector and colleges, however, brought along competition for a better image following a proliferation of colleges established in the 1990s (Tan, 2002).

Malaysia also experienced growth in terms of the number of foreign students as a consequence of increase in the number of private colleges and foreign university campuses in the country (Ghazali and Kassim, 2003). However, with the ever expanding nature of higher education institutions, education reforms remained constantly present. This is in order to ensure that education serves national development needs (Ahmad, 1998). The Malaysia National Development Plan (1990-2010), a master policy framework for several major policy plans to realise the vision of the country to become a developed and industrialised country by 2020, aims to make Malaysia a centre of excellence in education in the pacific region (Tan, 2002).

In line with this, the Ministry of Education (MOE) actively invited qualified private HEIs to become University-Colleges in the year 2001 (Tan, 2002). This resulted in 535 colleges being invited to be transformed with colleges needing to comply with the quality standards outlined under the Malaysian Qualifications Framework (Norfatimah, 2005). As a result, at the end of 2006, the Ministry of Higher Education upgraded all the public university colleges to fully-fledged universities.

Although the transformation of colleges to university-college status attracted a number of colleges to apply to change status, students have the perception that the 'university-college' status is a second-class higher education (Sooi, 2006). This is due to the fact that university-colleges are only allowed to confer their own home grown programmes, i.e. providing students with the Malaysian brand. O'Cass and Lim (2002) indicated that the country-of-origin which conferred degrees significantly influenced students' choice, and specifically a western origin brand is preferred over eastern brands. Thus, this provided a great challenge for the colleges to transform themselves into university-college status institutions.

In response, higher educational institutions had to develop a set of unique characteristics in order to face challenges such as the development of a more customer-oriented service approach to education and an increased emphasis on corporate image (Melewar and Akel, 2005). As a result, marketing activities had become more significant for PHEIs in Malaysia. Below are six Acts which were passed by parliament between 1995–1997 which enabled the

liberalisation of the private higher education sector and the corporatisation of public universities.

It was mentioned that the increase in government spending on education reflects the growing importance of the sector. However, Bakar and Tuah (2005) added that greater expansion of education can not only be explained by increasing educational expenditure, but is also accompanied by significant increments in enrolment at each level of education. At the university level, the number of students enrolled has increased tremendously year on year. There are 1,134,134 students enrolled in Malaysian higher education institutions. Almost 100,000 of these are international students (Ministry of Higher Education Malaysia, 2013).

Public institutions initially attracted most students; however this is no longer the case. The number of students enrolling at private institutions has more than doubled since 1995. In 1995, there were 127,594 students enrolled in private higher education institutions in Malaysia (Lee, 1998). In 2002, the number had increased to 294,600 students (Ministry of Higher Education Malaysia, 2012). Ten years later, in 2012 the number had reached 454,616 (Ministry of Higher Education Malaysia, 2012). In comparison, the increase of students who enrolled at public institutions is not as significant as the increase at private educational institutions. Furthermore, the number of Malaysian students who opted to study abroad has decreased, suggesting that students are deciding to stay in Malaysia to pursue their higher education studies and that students are more interested in education delivered by PHEIs (Ministry of Higher Education, 2013).

These students are studying at universities, 23 university colleges, and 411 colleges. There are seven foreign branch campuses in Malaysia (Ministry of Higher Education, 2013), including: Curtin University of Technology (from Australia), Monash University Malaysia (from Australia), University of Nottingham (from the United Kingdom), Newcastle University Medical Malaysia (from the United Kingdom), Swinburne University of Technology (from Australia) (Ministry of Higher Education, 2010), University of Southampton Malaysian Campus (from the United Kingdom) and the Manipal International University (Malaysia). Details on these universities are included in Chapter Four: Research Methodology.

As reported by the New Straits Times (2012), the Malaysian Ministry of Higher Education has received 25 applications from foreign institutions wishing to set up campuses in the country. The latest operations are those of the Heriot-Watt University, the University of Reading and the University of Hull (New Straits Times, 2012). All three universities are to be established in three different states in Malaysia namely Kuala Lumpur, Johor Bahru and

Penang. In 2011, Heriot-Watt University has been chosen as the winner of a major international tender by the Malaysian Government and Putrajaya Holdings Sdn Bhd, to establish a new campus in Malaysia at an investment of GBP35 million; GBP15 million pounds more than the initial estimated cost (Heriot-Watt University, 2011). The purpose-built campus is scheduled to open in 2014 and aims to support up to 4,000 students (Heriot-Watt University, 2014). However, the university first set up a temporary premise at Menara PJH in Putrajaya, Malaysia which was opened to students in January 2013 for their global MBA programme from the Edinburgh Business School.

In 2011, the University of Reading was invited by the Ministry of Higher Education Malaysia to make an application to establish a campus. They then selected a plot within the EduCity at Iskandar for a campus to be built on a 20-acre site and the campus will open in 2015 (University of Reading, 2014). A month after the plan was announced; the University of Reading leased commercial premises in Menara Kotaraya, Johor Bahru as a temporary campus while waiting for the purpose-built campus to be constructed (University of Reading, 2014). The Menara Kotaraya premises was officially opened in May 2012 and shortly after began to admit students for their Executive Education and English Language courses (University of Reading, 2014). In September 2013, the first group of Foundation in Business students began their studies at the same premises before admitting students into a select group of undergraduate and postgraduate degrees at the same venue in 2014.

In 2013, it was reported that an initiative had been set up by an alumnus of the University of Hull, Datuk Michael Tio, to set up the university's first franchised branch campus out of the United Kingdom on a 5-Acre site in Batu Kawan, Penang (The Star Online, 2013; Lim Guan Eng, 2013). Datuk Michael Tio said that the project would be undertaken by PKT Logistics Group Sdn Bhd of which he is the group chief executive and managing director (The Star Online, 2013). PKT announced that they would invest RM130 million in the international university campus called "The Ship" which would accommodate 5,000 students once completed (The Sun Daily, 2013). Construction is scheduled to begin in 2014 and the student intake would begin in 2016 (The Sun Daily, 2013). However, the significant influx of foreign universities into Malaysia has triggered a lot of reaction from existing players, including trying to convince the Ministry that it would lead to deterioration in the competitive landscape. This situation became an area of focus to be explored for this study.

Nevertheless, the education sector has since enjoyed the highest national development budget which symbolises the continuous commitment of the Malaysian government towards education (YB Khaled Nordin, 2009). Its market share for international students was ranked

11th in the world as a destination among international students which has led the country to aim to become a hub for the region (MOHE, 2009). Bennell and Pearce (2003) found that the Malaysian population attaches an extraordinarily high value on education and training. In response the government as a matter of policy has allowed foreign universities to take a leading role in overcoming shortfalls in domestic provision.

The policy of internationalisation in higher education in Malaysia has certainly evolved due to the necessity of keeping up with the demands of changing market economies (Tan, 2002). To transform from a production-based economy to a knowledge-based economy requires a highly skilled and knowledgeable workforce (Lee, 2002). Increase in foreign students' enrolment in Malaysia has made the country one of the strongest emergent contenders in the international market for foreign students. The process of becoming a 'regional hub' in education has also attracted its own critical perspective from fellow contenders.

The private institutions, however, are criticised for not being able to secure a place in the top 100 universities in the world. While there has been a large inflow of foreign students, the nation has also seen concern grow among unemployed graduates in Malaysia. The Malaysian government is also concerned about the vocational focus of private education which may not prepare graduates with the appropriate moral and ethical values needed for a multi-cultural and multi-ethnic Malaysia.

While most private institutions are based on a profit model, sensitivity to the Malaysian unique socio-cultural situation has become a cause for concern (The New Straits Times, 2013). The internationalisation policy for higher education in Malaysia was formulated with six critical aspects in mind (that is, student mobility, staff mobility, academic programmes, research and development, social integration and community development) with the aim to enrol 200,000 international students by 2020. A policy document from the Ministry of Higher Education Malaysia says: 'Malaysians strong hold of beliefs and values that stem from various racial and religious backgrounds, all of which is eastern, demands that the international students respect these beliefs and values' (The Star Online, 2013). In the case of Malaysia, the policy of liberalisation and democratisation of education has seen a sudden upsurge of foreign students studying in Malaysia since 1996 when the government introduced the Higher Education Act. Tan (2002) found that Malaysia has managed to create foreign student demand for Malaysian higher education and noticed that course attributes, country characteristics, cost and administrative ease are significant factors in determining the decisions to pursue post-secondary education in Malaysia.

Ming (2010) stated that higher education in Malaysia has experienced increasing competition among universities and higher education institutions in a bid to attract students both locally and internationally (Mazzarol, 1998). Competitive pressure has forced the higher educational institutions to look for more competitive marketing strategies in order to compete for students in their respective markets. Therefore, to study the important attributes, especially institutional factors, that affect students' college choice decision in higher education institutions become pertinent on the part of marketing strategy planning for student recruitment among higher educational institutions.

In terms of economy, Malaysia boasts one of south-east Asia's most vibrant economies which has resulted from industrial growth and political stability (BBC, 2014). Malaysia is considered as an upper-middle income economy with a gross national income of USD $9,820 per capita and GDP estimated at $305 billion (World Bank, 2012). According to Dr Shane Oliver, Head of Investment Strategy & Chief Economist at AMP Capita, Malaysia's economy is expected to see 5.5% growth in 2014 in comparison to 4.5% growth in 2013 (The Star Newspaper, 2013). This has led to a tight labour market with an unemployment rate of around 3.4% (Malaysian Department of Statistics, 2013).

Malaysia takes pride in being one of the world's largest exporters of palm oil, natural rubber, natural gas, timber, cocoa beans and pepper (Malaysian External Trade Development Corporation, 2014). It is also one of the world's leading exporters of manufactured products such as semiconductors, audio-visual products, electrical goods, rubber-dipped products and oleo chemicals (Malaysian External Trade Development Corporation, 2014). However, Malaysia's economic prospects have been dented by the global economic downturn, which has hit export markets hard. In March 2009, the government unveiled a $16 billion economic stimulus plan as it sought to stave off a deep recession (BBC, 2014). The relevance of Malaysian economy is that, it is similar to that of the countries within the ASEAN region.

The changing global macro-economic environment has transformed international trade in higher education services in traditional host countries of international students (such as the US, UK, France, Holland, Australia, Canada and New Zealand) into a global export industry (Tan, 2002). Contrary to providing subsidised education to international students (after the Second World War), the higher education sector in these countries has become a major foreign exchange earner (Tan, 2002). Since early 2000, private education in Malaysia has gained local acceptance as a pathway to higher education and Malaysia is also being internationally recognised as an education exporting country where foreign students can pursue higher education (StudyMalaysia, 2005). Potentially, all these reasons have motivated

Malaysia in the country's current vision to be the world's sixth biggest education exporting country by 2020.

Although a smaller contributor to the economy compared with drivers like the oil and gas industry and the palm oil sector, the education industry is a key enabler for all National Key Economic Areas (The Star Online, 2012). Education makes up 8% of the services sector and 4% of gross domestic product (Martrade, 2013). Efforts have been made to encourage the private sector's involvement in providing industry-relevant education. Malaysia is targeting 200,000 international students by 2020 and the education industry is expected to contribute an incremental gross national income (GNI) of RM34 billion and a total GNI of RM61.6 billion by the end of 2020 (ICEF Monitor, 2012; The Star Online, 2012).

Bakar and Tuah (2005) suggested that the relative importance of education in a country is normally measured in terms of the percentage of Gross National Product (GNP) and the percentage of total government expenditure allocated to education. This is coherent with the speech given by the Malaysian Deputy Prime Minister, Tan Sri Muhyiddin Yassin, at the Transforming Education Summit in 2012 held in Abu Dhabi, when he announced that education is the top priority for the country moving forward (ICEF Monitor, 2012). Tan Sri Muhyiddin Yassin added that 'Malaysia has got to grips with the fact that the world economy is now increasingly driven by knowledge and innovation. The future economic growth and global prosperity will therefore depend on Malaysian success in making the pursuit of innovation through quality education the prime mover of economic development' (ICEF Monitor, 2012).

In 2013, the Malaysian government allocated USD11.64 billion in its budget, with emphasis on improving quality and standards which could indicate the growing importance of the education industry (The Malaysian Insider, 2013). Malaysia is gaining acceptance as a reputable study destination in the region (Ministry of Higher Education, 2014).

3.3 Malaysian Politics, Socio Economy and Culture

Malaysia is one of the most multi-ethnic and multi-religious countries in south-east Asia (Brown, 2003; BBC, 2013). In 2012, the population of Malaysia was estimated at 29.2 million (Trading Economics, 2012). The Malaysian population consists of Malay, Chinese and Indian as well as many other indigenous races (Ministry of Higher Education, 2013). Bahasa Malaysia is the national language, but English, Mandarin and Tamil are widely used too (Tourism Malaysia, 2013). Islam is the official religion of Malaysia, but the Constitution

guarantees freedom of worship to all races, so faiths like Christianity, Hinduism, Buddhism and other religions are freely practised (Tourism Malaysia, 2013).

Constitutionally democratic, Malaysia was ruled by a coalition of three ethnic parties: the United Malays National Organisation (UMNO), the Malaysian Chinese Association (MCA) and the Malaysian Indian Congress (MIC). The long-governing National Front coalition won the 2013 national elections with a weakened majority to extend its unbroken, 56-year rule, fending off the strongest opposition it had ever faced (BBC, 2013). Malaysia can be considered as politically stable despite differences in race and religion which can result in periodic conflict (U.S Department of Commerce, 2010).

This politically stable nation emphasises the sharing of power among the races, which ensures a peaceful and harmonious environment (Ministry of Higher Education, 2013). However, since periodic conflict has been mentioned, an infamous incident of racial riots erupted on 13 May 1969. There were tensions among the Malay and Chinese population following the general election that was held on 10 May 1969. This event subsequently caused a significant shift in government policy towards the management of Malaysia's ethnic 'problem' and the government eventually responded with a tool to drastically promote the socio-economic status of its Bumiputera population through the New Economic Policy (NEP) 1970-1990 (Brown, 2003; Mok, 2009).

The NEP constituted a range of measures and objectives designed to increase Bumiputera participation in the modern economy, including restrictions on the floatation of share capital, the awarding of government contracts and also in terms of corporate equity restructuring (National Economic Policy, 1970). In 1970, a vast number of corporate equity in Malaysia was owned by foreigners while the Bumiputeras owned slightly over 2.0 per cent. As a result, the NEP set a restructuring target of 30: 40: 30 in terms of corporate equity in Malaysia. This means that by 1990 the holdings of the Bumiputeras will reach 30 per cent, other Malaysians 40 per cent and foreigners 30 per cent (NEP, 1970).

In 1990, it was found that the Bumiputera share of equity amounted to 20.4 per cent of total corporate equity share and the holdings of other Malaysians reached 46.8 per cent and 25.1 per cent for foreign holdings (NEP, 2013). Although the Bumiputeras did not achieve the 30 percent equity ownership target by 1990, the progress made by them has been substantial compared to the position in 1970 (NEP, 2013).

Prior to the 13 May 1969 incident, the Rahman Talib Report 1960 and the Education Act 1961 announced that starting from 1961, secondary school exams using the Chinese language as the medium of instruction would be abolished and any secondary schools refusing to

conform would no longer receive government aid. After the Education Act 1961 was passed, 54 Chinese high schools accepted the new conditions but 16 refused and became Chinese independent high schools (Malaysian Insider, 2013). Private Chinese secondary schools were allowed to continue but their examinations were not recognised by the government, thus denying pupils in these school places in public higher education or jobs in the public sector.

In addition, in 1967, it was announced that only students with government-recognised certificates could study abroad. An initiative by the Chinese educationalist Dong Jiao Zong organisations to set up a private Chinese university was constantly blocked by the government; a legal challenge by Dong Jiao Zong and the Chinese-based opposition Democratic Action Party (DAP) eventually reached the Supreme Court, Malaysia's highest court, which ruled in favour of the government; this became a hot issue during the 1969 general election (Brown, 2003; Malaysian Insider, 2013). The plan was approved by the government two days before the election but the May 13 1969 racial riots erupted and the subsequent state of emergency halted the plans for private universities (Malaysian Insider, 2013).

In 1971, the Majid Ismail Report recommended that entry into national universities be apportioned based on population ratio at the same time as the government was also very keen in applying education as a tool to drastically promote the socio-economic status of its Bumiputera population (Brown, 2003; Mok, 2009). Until now, the Bumiputera policies, which give Malays affirmative action, have strongly influenced the unbalanced concentration of Malay ethnics in the public higher education sector (Yonezawa, 2007). For higher education, through the arrangement of the ethnic quota, public higher education institutions have catered primarily to Bumiputera (60%) students whereas a large number of non-Bumiputera (40%) (basically Chinese and Indian) students were left to face the scarcity of domestic education opportunities and had to study abroad without any financial support from the state (Lee, 2005, 2006; Lee, 2000; Agadjanian and Hui 2005). Taylor (2008) noted that places at public universities are only available for ethnic Chinese and Indian, for 25% and 8% accordingly. Meanwhile the BBC (2001) reported that places are set aside for native Malays – even if their grades are lower.

Government also provide funding for places at university, both in Malaysia and abroad. However, it is almost exclusively restricted to Bumiputera (Brown, 2003). It was found that over 95 per cent of students who applied for overseas study grants and were successful between 1980 and 1984 were Bumiputera (Heng, 1997). However, despite the fact that Malays have benefited from various policies as provided by the government especially in

terms of business, education and the civil service after 1969, ethnic Chinese continue to hold economic power and are the wealthiest community (BBC, 2013). The Malays regardless remain the dominant group in politics while the Indians are among the poorest (BBC, 2013). Nevertheless, the country faces the challenge of sustaining stability in the face of religious differences and the ethnic wealth gap.

Malaysia and Singapore have been prime examples of countries where the supply of public sector tertiary education has been unable to keep pace with the growth in demand for post-secondary education (Lee, 2004). Malaysia realises that it would not be able to educate a significant proportion of its population at the tertiary level through its own public institutions (Morshidi, 2005).

In addition, the UMNO/Malay-dominated government was very keen in applying education as a tool to drastically promote the socio-economic status of its indigenous (*bumiputera*) population after the infamous racial riots which erupted on 13 May 1969 (Mok, 2009). Until now, the *Bumiputera policies*, which give Malays affirmative action, have strongly influenced the unbalanced concentration of Malay ethnics in the public higher education sector (Yonezawa, 2007).

The domestic private higher education sector could only be activated after the mid-1980s when global recession increasingly restricted the capability of both the *non-bumiputera* families and the government to finance *bumiputera* students studying abroad (Mok, 2009). Essential Higher Education (HE) Institution Regulation in 1969, however, barred private HEs from conferring degrees and foreign universities from setting up branch campuses. MCA lost their case to set up a private university (Morshidi, 2005). In 1970, PHEIs were allowed to offer pre-university courses (Morshidi, 2005). As a result, in the 1980s, private providers became involved with innovative twinning and franchise agreements in collaboration with foreign universities at bachelor degree level and for other qualifications (Morshidi, 2005). Among the pioneers were Monash University and the Sunway Group (Morshidi, 2005).

Rapid economic development in the 1990s increased the demand for mass higher education, especially among those groups who demanded higher education in English. However, the public higher education system failed to meet these demands (Tan, 2002). Furthermore, in 1995, the 20% of Malaysian students who were studying abroad cost the country around US$800 million in currency outflow, constituting nearly 12% of Malaysia's current account deficit (Ziguras, 2001).

Therefore, this, coupled with the Malaysian government viewing highly skilled human capital as the nucleus of a knowledge-based economy, has resulted in the government

recognising the role of private higher education (Morshidi, 2005; Kamogawa, 2003). The government then provided an integrated legal framework through the enactment of The Malaysian Private Higher Education Institutions Act 1996 (amended in 2009) (QAA, 2011). The education sector has since enjoyed the highest national development budget, which demonstrates the commitment of the Malaysian government towards education (Khaled Nordin, 2009). Malaysia was ranked 11th in the world in terms of market share as a destination among international students which has led the country to aim to be an education hub for the region (MOHE, 2009).

Although public institutions initially attracted most students, this is no longer the case. The number of students enrolling at private institutions has more than doubled since 1995. In 1995, there were 127,594 students enrolled in private higher education institutions in Malaysia (Lee, 1998). By 2002, the number had increased to 294,600 students (Ministry of Higher Education Malaysia, 2012). Ten years later, in 2012, the number had reached 454,616 students (Ministry of Higher Education Malaysia, 2012). In comparison, the increase of students who enrolled at public institutions is not as significant as the increase of students who enrolled at private educational institutions. Furthermore, the number of Malaysian students who opted to study abroad has decreased, suggesting that students are deciding to stay in Malaysia to pursue their higher education studies and that students are more interested with the education delivered by private higher educational institutions (PHEIs).

The significance of PHEIs with regard to this research lies in the type of programmes offered, as well as the category of private educational institutions that operate in Malaysia. Morshidi (2005) noted that in the context of higher education, internationalisation would normally manifest itself in many different types of provision and modes of delivery (Sirat, 2005). Over recent years, there has been a drastic increase in the number of PHEIs operating in Malaysia, which has more than doubled from 156 institutions in 1992 to 594 in 2013. In 1995, there were no private universities but currently there are 25 universities operating in Malaysia (MQA, 2013). Three types of programmes are commonly offered by PHEIs in Malaysia: (i) internal programmes, (ii) transnational programmes and (iii) programmes leading to qualifications awarded by external bodies (Lee, 2004).

Transnational programmes consist of twinning programmes, credit transfer programmes, external degree programmes and distance learning programmes. These are delivered in various ways in Malaysia, through local colleges and those partly foreign-owned including foreign university campuses. The types of programmes offered and the categories of PHEIs in Malaysia are significant as they both involve some form of market entry among

foreign universities entering Malaysia. For instance, with the twinning programmes, mode of entry tends to be via a partnership or strategic alliance, meanwhile the establishment of foreign university campuses is a form of FDI. Currently, there are five foreign campuses in Malaysia: Curtin University of Technology (from Australia), Monash University Malaysia (from Australia), University of Nottingham (from the United Kingdom), Newcastle University Medical Malaysia (from the United Kingdom) and Swinburne University of Technology (from Australia) (Ministry of Higher Education, 2010).

However, since this research is based on internationalisation *per se*, it will not only focus on PHEIs and education agencies that are responsible for marketing foreign universities in Malaysia, but will also take into account public universities, as there exist alliances between Malaysian public universities and foreign institutions. Therefore, the significance of choosing Malaysia for this study is evident, as there currently exists fierce competition among all the educational institutions resulting from internationalisation. It is also noteworthy here that most foreign university campuses operating in Malaysia did not commence with FDI immediately.

For instance, Monash University, which was the first foreign university to be established in Malaysia, evolved through a longstanding partnership with the Sunway Group, who owns Sunway University College (Monash University, 2010). Monash University was then invited by the Malaysian government to open a campus in 1998 (Monash University, 2010). The university spent RM200 million in 2007 to build a new purpose-built campus from which the campus now hosts 4,500 students and 500 staff. This suggests that the internationalisation process may also be relevant for foreign universities entering Malaysia and provides an ideal platform for this investigation.

1.4 The Significance of the Study

Since this study aims to observe different modes of entry among foreign universities entering Malaysia and seeks to understand the relationship that occurs within each mode of entry, the significance will therefore be in terms of how this relationship impact on the internationalisation process of the universities. Another key significance is in choosing Malaysia as well as the fact that most literature studying on internationalisation tend to only be empirical.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

In recent times the study of internationalisation has attracted a great deal of research interest. This has not escaped the attention of university planners who are frequently looking to tap into new markets for attracting international students as well as academics alike that have provided numerous concepts and intensive empirical findings to support the subject area (Bennell and Pearce, 2003; Kelly, 1998; De Wit, 1995). As a result, internationalisation of higher education has become a key theme and widespread phenomenon (Kreber, 2009). Several other researchers have agreed that research on private higher education itself is exploding (Maldonado *et al.,* 2004; Levy, 2002; Altbach, 1999). However, the dynamics of the higher education sector are still poorly understood and therefore limit the ability of higher education service providers in responding to changes in the competitive landscape (Chadee and Naidoo, 2004).

In response, this chapter provides a review of the pertinent literature and aims to identify potential gaps where further research can be undertaken in the area of internationalisation of universities. This chapter consists of XXXX sections including this brief introduction. It will then be followed by defining internationalisation of higher education. As internationalisation of higher education is understood to be the consequence of globalisation, a section on globalisation as it relates to internationalisation of higher education will follow. Subsequently, this will be followed by a discussion on the emergence of transnational education.

2.2 Defining Internationalisation of Higher Education

Callan (2000) suggested that internationalisation in higher education is multidimensional; its meanings and interpretations shift depending on the various rationales, incentives, political as well as economic circumstances within which it takes place. Therefore, the language of internationalisation became imprecise and confusing (Elkin *et al.,* 2005). Knight (2008; 2004) identified that the term internationalisation came to its existence in early 1980s. Prior to that, the term 'international education' was favoured (Knight, 2008; 2004). Knight (2001) defined *international education* as education that involves and/ or relates to the people and culture as well as educational systems of different nations.

Internationalisation and international education however should not be regarded as the same. De Wit (2002) and Knight (2001) identified international education as only a segment

within which internationalisation encompasses. When providing the definition of internationalisation, Knight (2001) postulates that internationalisation of universities represents a process of integrating an international dimension into teaching, research and service functions of an institution of higher education, with the aim of strengthening international education. Whereas De Wit (2002) view internationalisation as an extension of international education and involving a more strategic process of introducing an international dimension into all aspects of education.

Both the definition of internationalisation as provided by Knight (2001) and De Wit (2002) reflected on the link to international education, however a vast number of literature view internationalisation as the process of institutions responding to globalisation (Bhandari and Blumenthal 2011; Montgomery, 2010; Cantwell and Maldonado-Maldonado, 2009; Altbach and Knight 2007; Van Der Wende 2001; Scott 2000). Other academia on the other hand tends to oversimplify the meaning of internationalisation. De Wit (1995) found that sometimes, internationalisation and internationalisation of the curriculum are used as if they offer the same meaning. One is in fact only a part of a larger concept of the other (De Wit, 1995). There are also some who provided the definition of internationalisation with the sole focus on activities for example academic mobility, study abroad, students exchange and international cooperation (Trondal, 2010; De Wit, 2002). Meanwhile, Horta (2009) view internationalisation as merely a situation in which students or faculty members from several distant countries having a presence on a campus.

To add to further confusion, there are literature which view what others would perceive as internationalisation as the act of being multinational (Altbach, 2004) or even introduce terms such as globalist, internationalist and translocalist (Chan and Dimmock, 2008). Teichler (2004) stated that despite the overwhelming use of these terms, not many people or governments grasp the understanding of what it really mean. As a consequence, it became difficult to fully capture the generalised understanding of internationalisation of higher education actually. This is especially when such inconsistencies developed a profound impact on the direction taken by academia when conducting research on internationalisation of higher education. For instance, if an article defines internationalisation only within the context of curriculum, the article will only focus on curriculum. Whereas for studies which introduced terms such as multinational, transnational, globalist and internationalist, studies on internationalisation has been treated as either irrelevant or separate.

Although this strengthen the view that internationalisation means different things to different people in different contexts (Knight, 2003), in reality, it contributed to the chaotic or

in some cases, partial understanding of what internationalisation of higher education truly is. So what is internationalisation of higher education? For the purpose of this study, it then became crucial to take into consideration key components from the aforementioned definitions. However, it is essential to first acknowledge that the one definition which has found its prevalence in providing the direction of today's literature is as offered by Knight (1994). She defined it as 'a process of integrating an international, intercultural, or global dimension into the purpose, functions or delivery of post-secondary education'.

This definition will be used to create a foundation in which this study will build from. Collectively, it can be observed that internationalisation is (1) a process (De Wit, 2002; Knight, 2001; 1994) (2) where integration of international, intercultural or global dimensions occurs, either as a consequence of (3) globalisation (Bhandari and Blumenthal 2011; Montgomery, 2010; Cantwell and Maldonado-Maldonado, 2009; Altbach and Knight 2007; Van Der Wende 2001; Scott 2000) or (4) other rationale. All of which occurs via (5) the presence of international students and faculty members at an institution (Horta, 2009) or (6) the delivery of international education. The scope of this process (7) extends beyond the delivery of education. Subsequent section will provide an overview on how globalisation impact internationalisation of higher education.

2.3 Globalisation as it relates to Internationalisation of Higher Education

The most profound theme with respect to the literature on internationalisation of higher education is in relation to globalisation. Altbach and Knight (2007) define *globalisation* of *higher education* as the economic, political, and societal forces pushing 21st century higher education toward greater international involvement. Lee (2004) claimed that academia worldwide became continuously interested to examine how global processes have affected the education systems directly or indirectly in different countries. This is as there is a shift in terms of the role and value of higher education. In which case, a detachment from materialist modes of economic production to production of globally relevant knowledge relying on the ability of social economic fortunes for individual and nation sates was observed (Lee, 2004; OECD, 1998).

An extensive number of studies also emerged on the role of higher education as both the agent and reactor of globalisation (Knight, 2008). As an agent of globalisation, this became a critical subject area as it influences the minds of policymakers, academics and professionals/practitioners (Knight, 2008). The growing interdependence of world's economies as a consequence of the rise of technology was also observed (Elkin *et al.,* 2005).

Retrieving information, communication and mass travelling became easy which subsequently led to global integration (Elkin *et al.,* 2005). Therefore, physical and verbal interaction between academia and students worldwide became no longer constrained.

Globalisation also fostered the development of a market for internationally oriented and qualified graduates who are not only able to understand but work in a multi-cultural globalised society (Elkin *et al.,* 2005). However, in order to do so, having a common global language became necessary in whereby the rise of English was observed (Engberg and Green, 2002). As accordingly, scholars became interested to study the role of English in higher education (Cantwell and Maldonado-Maldonado, 2008; Altbach, 2004; Beerkens, 2003).

Some identified the prevalence, importance and spread of English as the medium for the higher education curriculum (Song and Tai, 2007; Altbach, 2004; Edwards and Usher, 1998). Altbach and Teichler (2001) stated that English is used not only for the communication of research but also in teaching. Meanwhile, other academia saw the rise in demand for degrees from English speaking countries (OECD, 2007). In comparison few English speaking students want to acquire other languages and degrees from non-English-speaking nations (OECD, 2007). When reviewing on Higher Education Reform in Modern Japan, Doyon (2001) found that the Monbusho[1] acknowledged the need for better English education. He also found that programmes with courses taught in English were offered by a number of national universities and thus increased the number of short-term exchange students coming from the United States (Doyon, 2001)

This then led to academia studying the negative impact on the rise of English. Beerkens (2003) for instance, saw that the widespread use of English as a language of instruction and research led to the disappearance of particular studies and also at the expense of other languages. Bernando (2002) saw the decline of non-English programmes. In addition, studies in other languages which generate great social and scientific importance became excluded from the common global knowledge circuits bearing profound consequences for economic and social development (OECD, 2007). However, Van Der Wende (1997) found that the global economic transformation and the importance of English eventually brought along another phenomena within the higher education field: universities became motivated to internationalise their curriculum.

Huang (2006) define *internationalisation of curriculum* as a group of programmes with an international name, content or perspective; it can therefore be used interchangeably

---

[1] Ministry of Education

with programs, subjects or courses. Van Der Wende (1997, p. 54) stated that the reason behind internationalisation of curriculum is to improve language proficiency, enhance understanding of other countries and cultures, and strengthen intercultural competence and cross-communication skills. Meanwhile, Haigh (2002) identified that the ideal international curriculum provides an equal learning environment to students irrespective of their national, ethnic, cultural, social class/caste or gender identities. In such circumstance, social inclusion, cultural pluralism and 'world citizenship' are highly valued (Surian, 1996).

Van Der Wende (1997, pg. 63) identified a set of conditions necessary for the successful development and effective implementation of internationalised curricula and this include: (1) sufficient institution autonomy, (2) sufficient flexibility in curriculum regulation within the institution, (3) internationalising the curriculum represents an academic challenge to staff, (4) a senior moderates the process, (5) broad involvement and commitment of staff, (6) staff with specific teaching and cross-cultural communication skills, (7) endorsement from the top management, (8) combine top down and bottom up strategy, (9) consistency with the institutional mission and policy, (10) administrative support, infrastructure and services for the reception of foreign students and staffs, and (11) additional funding.

These conditions therefore require changes to be made within an institution. Haigh (2002) identified five changes: (1) the class, (2) the course, (3) the staff, (4) the department and (5) the university. (1) is in terms of being productively engaged in meeting the needs of international students, (2) and (3) are correlated which include facilitating students to share their personal experience, (4) is in terms of prioritising international activities such as student exchange programme and (5) in producing grand mission statement and learning that are favourable in advocating such international aspect.

Considering the embedment of international dimension and the changes required it is therefore understandable that internationalisation and internationalisation of curriculum are sometimes considered to be the same. After all, it is a process of integrating an international dimension into teaching, research and service functions of an institutions. However, this type of internationalisation can be viewed as 'passively being internationalised', a term coined by Mosneaga and Agergaard (2012). It is also important to note that the definition of internationalisation of curriculum in itself can be interpreted to exclude pure mobility programmes (Van Der Wende, 1997). In which case a course taught abroad in a foreign language by a foreign lecturer is not necessarily considered as internationalised (Van Der Wende, 1997).

Therefore, it can be argued that such view will only result in partial understanding of the internationalisation of higher education. This is especially if the definitions available can be interpreted to exclude courses taught abroad. The next section will discuss on the emergence of transnational education; an outcome which is viewed as a 'reaction' towards globalisation by Mosneaga and Agergaard (2012).

2.3.1 The Emergence of Transnational Education

During the height of globalisation, Rudner (1997) found that as international advantage becomes increasingly linked to knowledge-based sectors, tertiary education that generates much of this knowledge is being reconceptualised into tradable terms. Meanwhile, Jianxin (2009) noted that since the mid-1990s international organisation such as the World Trade Organisation (WTO) began to sense the economic potential of educational services. As a consequence, trade liberalisation for the field of higher education occurred. General Agreement on Trade and Services (GATS) considered higher education as a trade related sector and therefore has put in effort to legalise the cross-border/global trade in educational services (Van Vught *et al.,* 2002; Kreber, 2009). Apart from globalisation, the growing importance of English language led to the creation of education export industry by English language nations (OECD, 2007).

As a consequence, the status of higher education as a trade related sector became a major line of inquiry. A wave of literature began to emerge on the commodification of higher education, the shift towards privatisation and the entrepreneurship nature of higher education institutions. Mok (2007) found that not only the society surrounding education institutions is becoming global, market-oriented and privatised but education in itself is too. Kreber (2009) later added that privatisation has become one of the main trends in higher education worldwide in which new private institutions are rapidly expanding, especially in developing countries and in nations of the former Soviet bloc. Chadee and Naidoo (2008) acknowledged the economic significance of higher education as an exported service and its rapid growth over the last two decades.

This type of university is what Mosneaga and Agergaard (2012) regard as 'actively doing internationalisation' while other academia refers to it as providing 'transnational education'. Oxford Dictionary (2016) defines *transnational* as extending or operating across national boundaries. Meanwhile, United Nations Educational, Scientific, and Cultural Organisation (UNESCO-CEPES, 1999) and the European Council, define *transnational education* as: 'All types of higher education study programs, or sets of courses of study, or

educational services in which the students are located in a country different from where the home of the awarding institution is based. These programmes may belong to the education system of a country different from the country in which it operates, or may operate independently of any national education system'. These universities eventually set the tone for the globalisation of higher education by becoming strategic actors through forging alliances, opening branch campuses and enhancing their global reach (Marginson 2007; Mazzarol *et al.,* 2003).

Embed within the framework introduced by the General Agreement on Trade in Services (GATS) are the four modes of supply in which a service can be traded. This is as following: (1) *Cross Border Supply* – Supply of service from the territory of one country into the territory of any other country; (2) *Consumption Abroad* – Supply of service in the territory of one country to the service consumer of any other country; (3) *Commercial presence* – Supply of service by a service supplier of one country through commercial presence in the territory of any other country; and (4) *Presence of Natural Persons* – Supply of service by a service supplier of one country through presence of natural persons of a member in the territory of any other country. Jianxin (2009) found that (1) and (2) as directly relevant to transnational education whereas (3) and (4) occurs as a result of (1) and (2).

This then brought the attention of academia worldwide to study on the consequence of globalisation and the emergence of transnational education. An extensive number of literatures view globalisation as creating inequality within the field of higher education (Altbach, 2004). Countries such as the UK and the US are regarded as having an established education system thus offering 'World Class' education. Therefore universities from these countries became the primary providers while low-income developing countries became the receivers (Jianxin, 2009; Altbach, 2004). Altbach (2004) identified this as the 'McDonaldisation' of the university; mass production of western education which subsequently left universities from low income countries with little autonomy.

This then saw another wave of literature which argued that it is not a new phenomenon (Strong, 2002; Knight and De Wit, 1995). In the 13th century, universities that were founded in Paris and Bologna were quickly expanded to other parts of Europe, adopting a common language, Latin (Altbach and Teichler, 2001). Free movement of students were documented and as argued by Enders (2004), university has always been an international institution as well as a major force not only in the secularisation of modern societies but also in their internationalisation.

On another hand, Neave (2000) and Wittrock (1993) argued that contemporary universities in the nineteenth and twentieth centuries were linked to the nation state and not the medieval civilisation. Neave (2000) later added that the regulatory and funding for contemporary universities was and still is dependent on the government of a specific nation. These universities are creations of nation states; their characters and functions are largely shaped by the agenda of nation states (Bernardo, 2002).

However, the emergence of transnational education brought changes to the higher education landscape worldwide. The status of education as an internationally tradeable product saw that education became both a private good and a public good (McBurnie and Ziguras, 2001). McBurnie and Ziguras (2001) explained that as a private good, education delivers economic benefits and personal satisfaction for the student/ graduate whereas as a public good, enhances the national economy. Meanwhile, Lee (2004) observed the transformation from producing and transmitting knowledge as a social good to emphasising the production of knowledge as a marketable good and a saleable commodity. In addition, higher education policies are neither based on national circumstances nor benchmarked on national norms (Beerkens, 2003). Furthermore, in order to compete in global market, there is a shift from heavy reliance on funding from nation states to international sources (Beerkens, 2003). The next section will therefore discuss on universities' entrepreneurship transformation and how it relates to internationalisation.

2.4 Universities' Entrepreneurship Transformation and Internationalisation

Although as previously mentioned, some universities shifted from their heavy reliance on funding from nation states, others were facing reduction in public funding (Devos, 2010). In fact, Vincent-Lancrin (2004) found that there are only six OECD countries where private income exceeds 30% of the total income of universities: Korea (77%), the United States (66%), Japan (55%), Australia (49%), Canada (39%) and the United Kingdom (UK) (32%). He also stated that for countries where there is a need to reinforce health and pensions as top priorities, universities might have to raise a greater share of their funds from a variety of private sources, including imposing higher tuition fees. Subsequently, this led to universities venturing abroad or in the quest for international fee paying students (Devos, 2010).

Lee (2004) stated that universities are being made to operate like business organisations. Meanwhile, a number of academia found that commercialisation has in turn brought with it a number of pressures, among them an expectation that academics will design and market courses that will attract overseas fee paying students—in other words to become

more entrepreneurial. Devos (2010) on the other hand, saw the reduction on government's public expenditure on higher education resulted in internationalisation as the means for universities to sustain their operation. All of which is consistent with the notion that economic and technological features of globalisation have led to internationalisation (Stromquist, 2007).

Regardless of the transformation observed academia remain separate when studying on higher education and theories on organisations. Despite the different definitions available which led to different themes when studying on higher education, most focuses only within the context of higher education. As a result, understanding of internationalisation can be argued to be somewhat limited. This is also despite large cumulative private investments and the fact that the higher education industry often forms a substantial part of the total economy (Altbach and Knight, 2007). Sugden (2004, pg. 120) stated that, if universities followed the same logic as organisations, the implication would be a system of research and learning in which they establish branches in various countries. Although as Van Damme (2001) observed, more and more universities are establishing branch campuses under the full authority of their parent institution, studies which understand the logic behind organisation did not follow its course with universities.

However, Healey (2008) in his article 'Is Higher Education Really Internationalising?' made an effort to view internationalisation of higher education within the context of firm. For the purpose of his study, he defined the internationalisation of universities as it relates to their operations in terms of: (1) Foreign students studying on the home campus and (2) Foreign students studying for the university's awards on a campus in a third country. Healey's article subsequently became a substantial motivation to conduct this research. Healey (2008) identified a four-stage process; the Uppsala Internationalisation Model (UIM) which is often associated with theories of firm. He found that, a broadly similar development can be applied within the context of higher education. Therefore, the next section will discuss on the internationalisation of the firm.

2.5 Internationalisation of Firm: The Literature

Much of the early conceptualisation of how organisations internationalise grew out of empirical investigations of how such organisations change their modes of operation over time (Luostarinen, 1979; Buckley et al., 1978; Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975). To some extent such a focus is predictable, given that modes of

operation in foreign markets often are the most solid and empirically observable forms of international expansion (Benito et al., 2009).

Among the researchers, Johanson and Vahlne (1977) have been influential in studying the process of internationalisation by developing the Uppsala Internationalisation Model (UIM). Johanson and Vahlne (1990), defined internationalisation as: *'A process in which growth seeking, risk minimising firms gradually increase their international operations as their accumulated internal resource-based expands domestically, their external resource-base (the firm's business network) extends and their information and consequent knowledge about foreign markets increase' (p.11).*

The UIM assumes that a firm will initially develop its domestic market and then incrementally expand its operations abroad as experience increases. The model is based on the assumption that firms are growth seeking and aim to minimise risk (Johanson and Vahlne, 1977). It is suggested that a fundamental constraint in the internationalisation process is a lack of information and knowledge, as well as subsequent uncertainty about markets abroad which is directly related to inadequate local experience, and hence costly foreign market information (Nguyen, Barrett and Fletcher, 2006; Johanson and Vahlne, 1977).

This is as explained by the establishment chain model as proposed by Johanson and Widersheim-Paul (1975). This model illustrated that organisation's engagement in a specific country develops according to the establishment chain, which consists of four progressive modes of operation (Johanson and Vahlne, 1977): (1) the organisation initially starts with no export activities in the market; (2) export then takes place via independent representatives; (3) it is eventually facilitated using sales subsidiaries; (4) operation is finally shifted to fully localised production. The establishment chain is illustrated in Figure 2.1.

Each consequent mode of operation yields an increase in market knowledge (Y axis), which in turn enables the management of universities to justify increased commitment in future-decision making (X axis). An instance of this can be observed, as the management of a university will find it easier to attract further sizeable investment, having already had an existing track record in a foreign education market (i.e. increased market knowledge within the framework of UIM). Having secured further investment, it will enable them to make greater commitment decisions in the foreign market.

Meanwhile, Sharma and Blomstermo (2003) suggest that systematic acquisition of information and knowledge about foreign markets is critical for the firm's success during internationalisation. As for Johanson and Vahlne (1977), they established that the accumulation of experiential knowledge in relation to foreign markets is assumed to be the

key driver of a gradual internationalisation process (see Figure 2.1). Such knowledge reduces uncertainty and the perceived risk of internationalising by providing the firm with information about foreign markets. Relevant to the internationalisation process is the underlying interaction between varieties of internal organisational factors: current experience, knowledge and commitment of the firm; together with the firm's current activities and commitment decisions (Johanson and Vahlne, 1977).

Figure 2.1 <u>Establishment Chain</u>

Market Knowledge

Modes of Operation

(4)

| Localised Production |

(3)

| Creation of Sales Subsidiary |

(2)

(1)

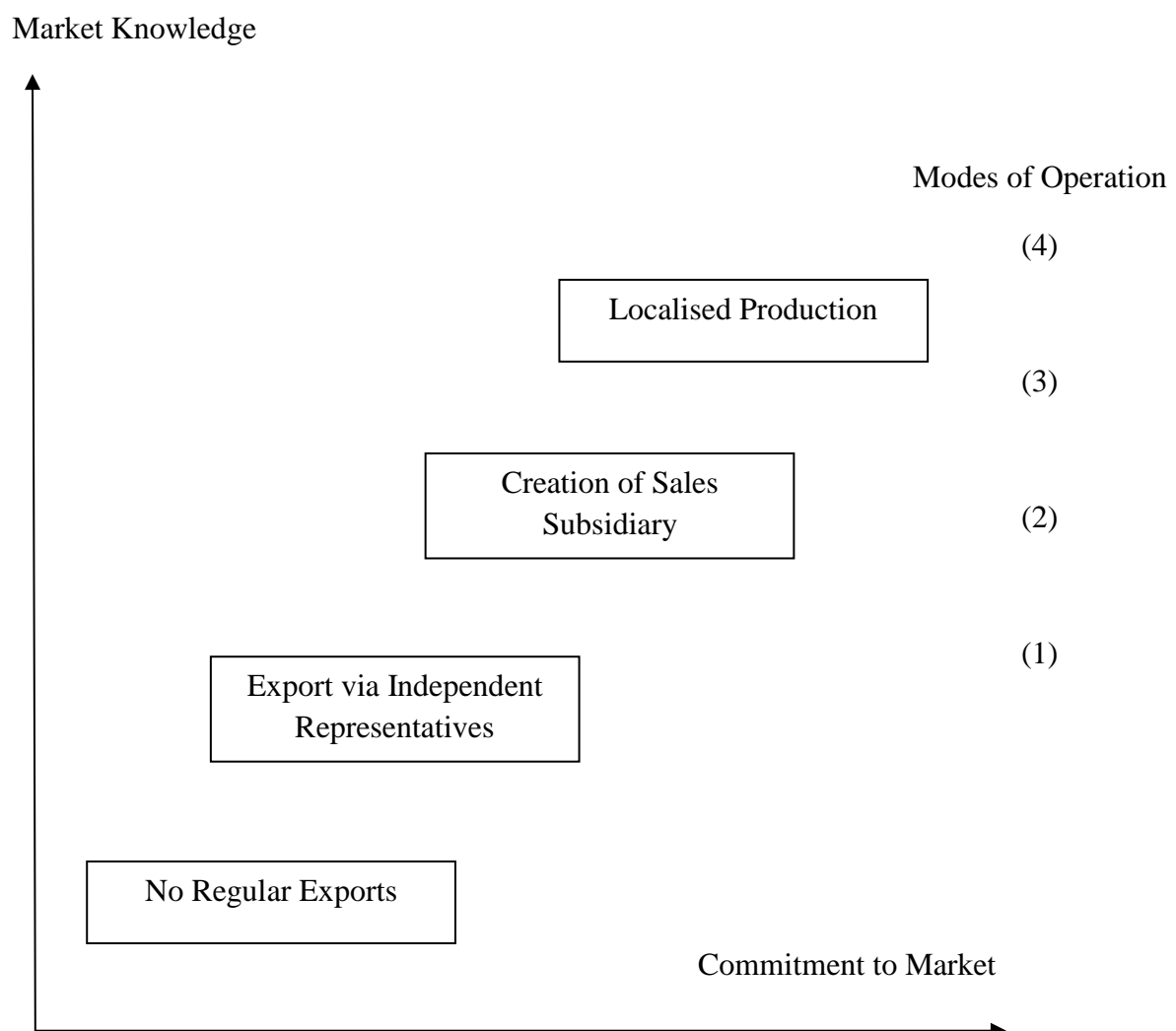| Export via Independent Representatives |

| No Regular Exports |

Commitment to Market

Figure 2.2 indicates that market knowledge influences commitment decisions and market commitment is in turn affected by its current activities. According to Johanson and Vahlne (1977), commitment decisions are influenced by the firm's opportunity horizon, as well as by economic and uncertainty effects. It is assumed that decisions regarding

international market opportunities are dependent on and formed by the firm's experience. The firm therefore addresses market opportunities in the environment with which it interacts. It is this environment that constitutes the firm's opportunity horizon (Johanson and Vahlne, 1977).

Figure 2.2: Uppsala Internationalisation Model

Market Knowledge		Commitment Decisions
Market Commitment		Current Activities
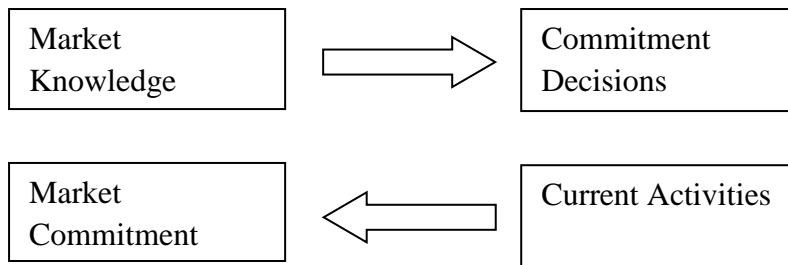
Source: Johanson and Vahlne (1977)

When Healey (2008) conducted his study, he neglected to study on the changes as illustrated in Figure 2.2. His study solely focuses on whether universities incrementally change their mode of operation or not. Healey (2008) went on to suggest that the move from exporting to licensing can be interpreted as an opportunistic supply-side response to changed market circumstances, rather than a logical next step. Merlin (1992) on the other found that studies show that not all organisations follow this incremental pattern of internationalisation and that leapfrogging intermediate stages is common among newly internationalising organisations (McDougall and Oviatt, 1994). Meanwhile, similarly, born global organisations have been found to engage in activities in multiple international markets from inception, rather than starting in domestic markets and expanding into international markets (Zahra, 2005; Knight and Cavusgil, 2004).

Furthermore, Healey (2008) based his studies on a framework which was developed in 1977 and thus failed to take into account development that has occurred within the field of internationalisation of the firm. For instance, in 1990, Johanson and Vahlne extended the theory of their original process model by incorporating findings which was developed in the area of industrial marketing. Specifically, they reported on the important influence of a firm's network on its operations in general, and on its internationalisation process in particular (see, for example, Blankenburg and Johanson, 1992; Johanson and Mattson, 1987). This extension to the theory of the original model can be seen as specifying the nature of the firm's opportunity horizon. Therefore, there is increased emphasis on the impact of the firm's

external relationships on the internationalisation process when compared with the original model which focused solely upon internal factors that underpin the process (Berry and Brock, 2004). This revised approach suggests that external relationships provide the firm with key capabilities that enable it to perform activities effectively (Ford et al., 1986) and indeed such network relationships may accelerate internationalisation (Coviello and Munro, 1995, 1997).

As an update to the old UIM model, Johanson and Vahlne (2009) introduced the Business Network Model of the Internationalisation Process as illustrated by Figure 2.3. Within this model, Johanson and Vahlne (2009) began to further explore the importance of relationship with regard to internationalisation. They proposed that a firm is embedded in an enabling, and at the same time constraining, business network that includes actors engaged in a wide variety of interdependent relationships. However, within the context of internationalisation of universities, the actors involved are never understood.

Shane (2000) claimed that the parties to relationships have privileged access to certain information and knowledge and these are transferred via relationships, therefore, only those within the relationship network can identify and better exploit opportunities than those on the outside. Kogut (2000) stated that a network of business relationships provides a firm with an extended knowledge base; this is as the relationship is not only limited between a firm and its partners but also to include the activities or partners that their partners have. Meanwhile, Johanson and Vahlne (2009) suggested that there are three intertwined sub-process: learning, trust and commitment building were subsequently identified. All of which could derive from relationships, knowledge and opportunities

Figure 2.3 Business Network Model of the Internationalisation Process

State		**Change**
Knowledge Opportunities	⇨	Relationship Commitment Decisions
Network Position	⇦	Learning Creating Trust Building
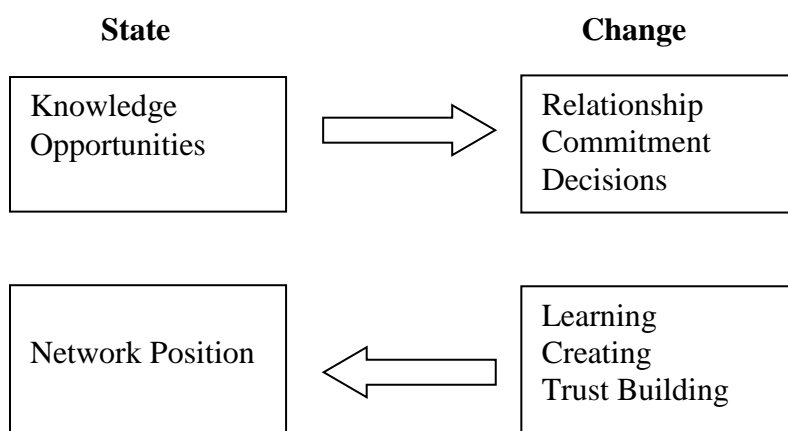
Source: Johanson and Vahlne (2009)

They maintained the two variables: state and change. They proposed that knowledge include needs, capabilities, strategies and networks of directly or indirectly related firms in their institutional context (Johanson and Vahlne, 2009). This is a shift from their old model which emphasis on gaining market knowledge. Meanwhile they view opportunities as something that drives the process. Network position replaces market commitment highlighting the newly acknowledged importance of relationship network. Meanwhile, relationships on the other hand are influenced by specific levels of knowledge, trust, and commitment that may be unevenly distributed among the parties involved, and hence they may differ in how they promote successful internationalisation (Johanson and Vahlne, 2009). This model will be used as the guidance in which this research will be conducted. The next section will then discuss on the factors of internationalisation.

2.6 Factors of Internationalisation

The predominant theoretical view of foreign investment in the literature is an asset-exploitation perspective that conceptualises international expansion as occurring when organisations seek to leverage their organisation-specific ownership advantages in new settings, which in turn allows them to obtain a competitive advantage over indigenous organisations in the host country (Hymer, 1976; Caves, 1971). Hymer (1976) also added that organisations engage in foreign investment when they possess monopolistic advantages over local competitors that outweigh the disadvantages of being foreign. Meanwhile, Caves and Mehra (1986) suggest that organisations do so when they can eliminate oligopolistic competition through alliances with or acquisitions of local organisations.

However, the literature from other views suggests that organisations also move across geographic boundaries for resources as well as capability enhancement (Bartlett and Ghoshal, 1987; Luo, 2001). In addition, the rise of Asian multinationals has indicated that there may not be a direct relationship between organisation-specific ownership advantages and the pursuit of foreign investment, since as latecomers their perspective is based on asset-seeking to overcome their competitive disadvantages (Makino et al., 2002; Matthews, 2006). This shows that organisations engage in international expansion to enhance their competitiveness rather than exploiting their existing set of advantages (Yiu et al., 2007). The process is similar with universities. Knight (2004) for example found their motivation is to develop an international reputation successfully and thus enhance their competitiveness for reasons such as to gain market share in the recruitment of international, fee paying students.

Stensaker (2007) found that increased competition in higher education – both at the national and international level has led to an emerging interest in how higher education institutions profile themselves. He later added that the image or brand a given higher education institution has in its surrounding seems to be considered as more important than before, and, to an increasing extent, a strategic and managerial issue (Stensaker, 2007). The reason is the possible impact a positive image or brand is expected to have concerning recruitment of students and academic staff, for attracting resources and to create goodwill (Belanger et al., 2007). As a consequence, new images have been proposed for higher education institutions (Stensaker, 2007).

Apart from that, most research suggests that the investment behaviour of organisations is being driven through primarily economic rationale, as they seek to increase market power, gain access to resources and minimise transaction costs (Buckley and Casson, 1976; Rugman, 1981). Luo and Tung (2007) found two motives for organisations to internationalise: a) assets and b) opportunities. Assets sought by MNEs may include technology, know-how, research and development (R&D), human capital, brands, consumer bases, managerial expertise and natural resources. Meanwhile, opportunities include tapping into markets that complement their strengths, gaining preferential financial and non-financial treatment offered by home and/or host governments, increasing company size and reputation and escaping from institutional or market constraints at home.

Unlike organisations, motivation for universities is mainly based on opportunities. Due to the increasing importance of knowledge, there is now a greater market for higher education, particularly in countries with less-well developed higher education systems (Kreber, 2009; Perkinson, 2006). In addition, growing interest and demand for the transferability of educational credits and qualifications, both national and across borders is seen as a welcoming opportunity for Western universities (Kreber, 2009; Perkinson, 2006; Bennell and Pearce, 2003).

As a result of rapid acceleration in continental and global economic integration, global qualifications have become increasingly important, particularly in areas of knowledge and skills that are needed by transnational corporations and the business community at large (Bennell and Pearce, 2003). Furthermore, the rising visa difficulties and increased security requirements coupled with rising improvement of institutional quality has led to changes in terms of students' preferences to obtain education at home. These have all influenced universities from developed countries to increase their involvement in developing countries (Perkinson, 2006).

However, despite the overwhelming number of literature on factors of internationalisation, it can be observed that none which identify the importance of relationship. This is also regardless of the fact that overtime, academia such as Coviello and Munro (1997) identified that relationships have an impact on foreign market selection as well as on the mode of entry in the context of ongoing network processes. Meanwhile, Martin, et al (1998) found that the inter-organisational relationships of suppliers with buyers, affected their pattern of international expansion. Provided that this study has taken into consideration the Business Network Model of the Internationalisation Process (Johanson and Vahlne, 2009), it is therefore significant to understand how relationship became a factor in which higher education institutions internationalise. The next section will explore the type of relationships which can occur within the context of higher education.

2.7 Types of Relationship within the Context of Higher Education

Research has now also shown that firms are frequently involved in a set of different, close and lasting relationships with important suppliers and customers (Cowley, 1988). Within the context of higher education, suppliers can be understood as universities whereas customers can include students. Meanwhile, Anderson, et al (1994) stated that firms are in turn engaged in a number of additional business relationships. As previously mentioned, given the status of higher education as the functionaries of the nation state, this then extend the relationship to include the government.

The influence of globalisation brought along the emergence of transnational education. However, although Johanson and Vahlne (2013; 2009) has since depart from studying on mode of entry and Healey's (2008) was further from successful, in order to better understand the relationship that occurs between actors within higher education, this study will still consider the modes of entry that occur within the context of higher education institution. Root's (1994) classification of entry mode will be utilised for the context of this research: (2.7.1) export entry modes which include indirect, direct agent/ distributor, direct branch/ subsidiary; (2.7.2) investment entry modes which include sole venture and joint venture as well as (2.7.3) foreign direct investment.

2.7.1 Export Entry Modes

There are universities which have established an international presence through exporting. Exporting is the quickest and easiest way for organisations to penetrate foreign markets and engage in internationalisation (Root, 1994; Johanson and Vahlne, 1977). Leonidou et al.,

(2007) found that organisations resort to export as it requires fewer organisational resources and has lower business risk than other modes of entry such as licensing and equity investment. There are two types of exporting: indirect and direct. Indirect exporting includes exporting through domestic intermediaries which places the burden of responsibility for sales contacts, negotiations and product delivery on the intermediary within the organisation's home market (Cavusgil et al., 2002). This method may also be adopted for universities, which want to test out markets before committing major resources and effort to developing an export organisation (Hollensen, 2007).

Indirect export occurs when a university is not involved directly in exporting activities and hands it over to another domestic company such as an education agency to perform these activities (Hollensen, 2007). Indirect channels can be an appropriate form of participation as a university can start exporting with no incremental investment in fixed capital. The advantage of this form of market entry is that there are low start-up costs and fewer risks (Cavusgil et al., 2002, Root, 1994). Root (1994) noted that by using indirect channels, a university can gradually increase its export effort by building on prior success in other foreign markets. It can thereafter change to more direct export with greater international sophistication and commitment.

Universities which enter the market via indirect export may use the service provided by education agencies. It can be argued that these education agencies act as a medium to market foreign universities to Malaysian students. Although the use of education agencies is significant, there is no literature which examines this mode of entry in depth. Therefore, it is unknown as to the working of these education agencies and the process by which foreign universities network with them. Therefore, for this type of relationship, the customer and supplier differ. The education agency can be suppliers for both, for the prospective students and the universities that they are representing.

Direct exporting meanwhile occurs when a university markets its services directly in a foreign market (Hollensen, 2007) or via establishing a subsidiary. A university may choose not to use an intermediary, but employ its own resources and set up an overseas branch office or subsidiary (Chee and Harris, 1998). A further advantage of a subsidiary is that an organisation may gain tax advantages and reduced tariffs (Chee and Harris, 1998).

Sales offices assist students with regards to admissions into any of the aforementioned universities. In the case of firms, a sales subsidiary in the local market can monitor trends on a continuous basis, provide after-sales service, liaise with local advertising and research agencies, arrange for warehousing, collect debts and possibly sell the product in neighbouring

countries (Bennett and Blythe, 2002). It is of interest whether foreign universities can function in a similar manner or whether the sales office acts only as a marketing medium for its parent university.

2.7.2 Investment Entry Modes

2.7.2.1 Investment Entry Modes (International Joint Ventures)

There are two types of investment entry modes that can be found. First, collaboration based investment such as international joint ventures, strategic alliance and franchised; second, foreign direct investment. Universities are often involved in internationalisation joint ventures (Turner, 2005). The common characteristic for these ventures can be seen through changes in the composition of staff, programmes and students (Welch, 2002). For instance, in the UK, the majority of universities have engaged in active overseas student recruitment facilitated through marketing departments and international offices. Many have also developed new programmes to cater for large numbers of overseas students (e.g. one year Master's degrees in vocational subjects such as Business Studies) and have embarked on a range of collaborations and alliances with education providers in many countries (Humfrey, 1999).

One example of collaboration is through Franchised Programmes (also known as Offshore Programmes) and Joint Award Programmes (also known as Twinning Programmes). Vandamme (2001) explained that under franchising agreements an institution grants a host institution in another country the permission to provide some of the programs and degrees of the first under mutually agreed conditions (Vandamme, 2001). Under such arrangements, the education provider resort entirely under the degree awarding capacity of the home institution, but responsibility for the teaching of the programme in practice lies with the host institution (Vandamme, 2001). Therefore, franchising will involve an agreement which concentrates on the home institutions having quality control over the operation via a set of processes that maintain quality, rather than actually teaching the program (Adams, 1998). This may result in a rather confused image, in which there is no clear identification of responsibilities and accountableness (Vandamme, 2001).

The nature of franchised programmes is that they are conducted offshore (Adams, 1998). The franchised program solves the problem of a home institution operating in a number of locations and therefore overextending its own staff with teaching and other duties (Adams, 1998). This type of programme is offered via the 3+0 scheme in which students are allowed to complete their entire study for a degree awarded by the foreign partner universities at Malaysian institutions (DegreeMalaysia, 2011). This type of programme therefore will have a larger relationship spectrum in which the supplier is a foreign university whereas the customer is the local institution. The local institution can also be the supplier for students studying at the institution, in which case the foreign university will have an indirect relationship with the students. Both the local institution and the foreign university will also have a relationship as a supplier, for which the government is the customer.

The main idea behind the programme is to allow parents and students to save substantially on the study cost (DegreeMalaysia, 2011). The implication of the programme is a clear one way relationship, with the home country university having effective control over its foreign activities (Adams, 1998). Therefore, this could bring into focus a misunderstanding about the relationship between teaching by the home institution and quality of delivery (Adams, 1998). Adams also notes that the quality control imposed by home universities can be viewed as patronising and offensive to the host institution.

A joint award programme involves two higher education institutions, one in the home country and one in the host country; which jointly deliver aspects of a single degree or diploma programme, or some other form of jointly awarded program (Vandamme, 2001; Adams, 1998). This approach might be regarded as a more equal academic relationship between the home and host partners who may have similar discipline strengths or may have complementary strengths that contribute to a single award of both institutions (Adams, 1998). In both universities students follow exactly the same courses, have the same materials and pass the same examinations, be it that the academic staff is usually engaged locally (Vandamme, 2001). This type of programme became a promising model for the importation of foreign higher education programmes as it encourages student mobility in both directions (Yonezawa, 2007; Vandamme, 2001).

Both franchised and joint award programmes involve the use of joint ventures as a mode of entry. Cuypers and Martin (2010) define joint ventures as equity-based collaborative arrangements whereby two or more organisations contribute resources including equity, in a separate legal entity meant for the joint pursuit of economic goals. Cavusgil et al. (2002) found that joint ventures are a common form of participation for organisations moving

beyond the exporting stage to more regular overseas involvement in which local participation is deemed desirable. These researchers suggest three types of equity share for joint ventures i.e., majority, minority and fifty-fifty venture. Therefore, both local and foreign institutions will have an equal relationship as a supplier.

Various literature on international joint ventures (IJV) assert that learning, knowledge acquisition and adaption are important rationale for the creation of international joint ventures (Lyles and Baird, 1994; Kogut and Zander, 1993; Hamel, 1991). This is especially significant when considering the Business Network Model of the Internationalisation Process as proposed by Johanson and Vahlne (2009). However, as there is limited research on franchised programmes and joint award programmes as modes of joint venture entry, it is unknown if the aforementioned rationale was taken into consideration when international joint ventures were created.

2.7.3.2 Investment Entry Modes (Foreign Direct Investment)

Universities establishing campuses abroad is another potential mode of entry. This type can be classified under foreign direct investment (FDI). It involves the transfer of an entire enterprise to a target market, which enables a company to benefit from its competitive advantage in that market (Cavusgil et al., 2002; Root, 1994). Within the context of higher education, international branch campuses deepen universities' commitment to international provision, moving away from dependence on local partners for delivery and towards a corporate presence, with quality assurance as one of the primary driving forces (OBHE, 2002). This differs from the rationale for foreign investment, used by a general firm, which is: (1) To capture benefits of lower production costs due to savings in transportation and customs duties, as well as lower manufacturing costs generated from less expensive local inputs of labour, raw material and energy (Root, 1994; Bennett and Blythe, 2002; Cavusgil et al., 2002); (2) to acquire local technical expertise and 3) to obtain local foreign government investment grants (Bennett and Blythe, 2002).

Within the context of higher education, universities which enter a foreign market using this mode likely include a wider range of activities representing the institutions' profile at home such as research, student accommodation, consulting, community service and a more complete range of disciplines available to students (Adams, 1998). Foreign universities do not often benefit from lower cost of operation; in fact the Report on Public Sector Agencies (2002) suggests that significant operating losses and capital costs would be experienced in the early years of the establishment of branch campuses. A key determinant of the financial

viability of offshore ventures is the expected student enrolment, as it will determine the level of investment required in infrastructure and the level of fees to be charged (which, in turn, will impact on attracting students) to cover costs and generate profits (Report on Public Sector Agencies, 2002). Therefore, for this type of arrangement it can be argued that the relationship which exists is in terms of the home university and the branch campus. In which both act as the supplier for their students.

However, it is important to take into account that, despite the idea in which each mode of entry suggest, it is still uncertain as to what type of relationships or actors that are involved in internationalisation of universities. Furthermore, even if the relationship is partially understood, it is still left to be desired to fully understand the scope within which knowledge and opportunity can be derived from relationship. In addition, it is also unclear as to how learning, trust and creating could lead to strengthening of network position. Overall, this leads to sufficient ground for research to be conducted within the field of internationalisation of universities.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter examines the research methodology adopted for this study. This chapter will begin with an overview on the philosophy that underpins the approach taken when conducting this research, discussing the interpretivist stance selected for this research and the subsequent choice of a qualitative approach. The chapter then outlines the reasons for the adoption of the case study method, precisely case study methodology. The next section discusses the rationale in determining and defining the research questions, selection of cases and provides an overview of the data collection methods used for the thesis, as well as the use of NVivo software to analyse the data. This chapter will then explore the generalisation, validity and reliability procedures that should be taken into consideration given the qualitative nature of this research.

3.2 Research Philosophy

Hathaway (1995) criticises researchers as generally making the method choice decision with relative ease, i.e. selecting the method that will provide the needed information, without giving much thought to the assumptions underlying research methods. This can be argued to be the result of the confusion when using the terms 'methodology' and 'method' interchangeably (Hussey and Hussey, 1997). Methodology is considered by academia as the overall approach taken in addition to the theoretical basis from which the research is originated. Meanwhile, method is the means by which data is collected and then analysed (Hussey and Hussey, 1997).

Similarly, Mason (2002, p. 30) separates 'the concept of methodological strategy' from the method, while noting that a particular method will be a part of the strategy. Meanwhile, Rowley (2002) explored the concept of methodology in depth, suggesting that methodology is to be guided by the nature of the social sciences. This includes aspects that lead to the understanding of epistemological, ontological and assumptions about human nature. Hudson and Ozanne (1988) define ontology as the nature of reality; meanwhile Carson et al. (2001) define epistemology as the relationship between the researcher and the reality or how this reality can be known. With regard to this study, it can be argued that the nature of reality is that universities are internationalising and that there are ways utilised by universities when internationalising. There are also processes and risks that occur when universities internationalise. As for the epistemological underpinning for this research, this

can be found through reviewing literature pertinent to the scope of this study and collecting data, both through primary and secondary sources.

Rowley's (2002) concept of methodology is relevant for this study, as Smyth and Morris (2007) contend that most authors fail to make explicit their theoretical, epistemological or methodological positions. Rooke et al. (1997) express their objection to researchers getting away with a mechanistic application of formal procedure. Therefore, the research design, the approach taken, the particular data collection methods chosen and the means of analysis, are all considered to be part of this study's methodology with reflection and consideration to the epistemological, ontological and assumptions about human nature. Stern et al. (1998) stated that the better understanding of advantages and disadvantages of the methods/approaches will help to provide greater confidence in terms of the theoretical statements generated and identify potential limitations more honestly.

The most important part in understanding methodology is the philosophical stance in relation to the purpose and place of research in general. This research requires the concept of 'reflection' which can only be achieved through experiences of the respondents. Another reason is due to the use of large-scale phenomena or sampling size that positivists usually utilise in their research. What are required for this research are carefully selected multiple case studies using methods that would generate in-depth understanding about the cases.

Interpretivism tends to view the world in quite a different manner, demanding a different response from researchers. As Bryman and Bell (2007, p. 17) noted, interpretivists take the view that "The subject matter of the social sciences people and their institutions is fundamentally different from that of the natural sciences. The study of the social world therefore requires a different logic of research procedure." Interpretivists also believe that natural and social sciences are capable of discovering and knowing reality, although not with certainty (Riege, 2003). Riege also added that interpretivists acknowledge differences between the real world and their particular view of it.

As for Amaratunga and Baldry (2001), they suggested that the interpretative approach understands reality as being holistic and socially constructed, rather than objectively determined. They also added that interpretivists should not gather facts or simply measure how often certain patterns occur, but rather appreciate the different constructions and meanings people place upon their own experiences and the reasons for these differences. The approach tries to understand and explain a phenomenon, rather than search for external causes or fundamental laws (Easterby-Smith, 1991; Remenyi, 1998).

It is for these reasons that this research will adopt the interpretivist view. This is because there are multiple realities that could make measurement difficult and the only way to understand real-world phenomena with regard to the context of internationalisation of higher education is by studying them in detail. This different logic within an interpretivist stance might prompt a researcher to use an inductive theory construction, reversing the deductive process by using data to generate theory. Researchers would observe aspects of the social world and seek to discover patterns that could be used to explain wider principles (Babbie, 2005). In addition, it is seen that there is no one reality, rather reality is based on an individual's perceptions and experiences (Robson, 2002). This is especially significant with this study as the method by which data is collected is performed through semi-structured interviews in which the respondents will inform their understanding about their institution based on their experience and knowledge while working at the institution.

Interpretivism do not rely as much on deductive research inquiries, but see more appropriate research methods in those that have an inductive nature for discovering and building theory (Riege, 2003). Cassell and Symon (2009) stated that inductive research essentially reverses the process found in deductive research in which the researcher develops hypotheses and theories for the purpose of explaining empirical observations of the real world and this can be based on many factors but can also be based on personal experience.

3.2.1 Qualitative research

In various ways, the interpretivist position is based on belief that a qualitative approach to the research aim is one that will best provide insight. To restate in this chapter, the overall aim of this research is to observe different modes of entry among foreign universities entering Malaysia and seeking to provide a rationale to support the mode of entry selected. The significance of this research lies not only in identifying the different modes feasible for universities, but tracking their success.

As can be observed from Chapter Two: Literature Review, this study is trying to understand a complex issue, which involves many and varied global, societal factors, and one that has developed over a considerable time. This is both within the scope of internationalisation of firms and universities which can be achieved by understanding the experience of the participants. Therefore, it is felt that a qualitative research methodology provides the variety and depth of data required in understanding the phenomena of this study. Miles and Huberman (1994) have summarised the strengths of qualitative data in terms of realism and richness, they focused on the meaning of experience within the social world; in

other words placing the phenomena within their context. This is crucial in seeking to explain phenomena and to generate theory. Generation of theory can be construed as a key feature of qualitative research (Gummesson, 2005). In contrast, positivists, and perhaps quantitative approaches, aim to test theories specified at the start of a study (Bryman and Bell, 2007). This is especially significant for this study as it also seeks to view higher education institutions as behaving similarly to business, which is something that has not been considered in the literature on internationalisation of higher education. Therefore, as the philosophical stance and the decision for adapting qualitative research have been discussed, the next section will identify the research method selected for the purpose of this research.

3.3 Multiple Case Studies

Due to the rising need for an in-depth investigation and the interpretivististic view as the philosophical underpinning, this research employs a multiple case-studies -based research methodology. Yin (1984) defines case study research as "an empirical inquiry that investigates a contemporary phenomenon within its real-life context when the boundaries between phenomenon and context are not clearly evident and in which multiple sources of evidence are used" (p. 13).

The case study method is about theory construction and is based on the need to understand a real-life phenomenon with researchers obtaining new holistic and in-depth understandings, explanations and interpretations about previously unknown practitioners' rich experiences, which may stem from creative discovery as much as the research design. Case studies have an established place in qualitative international business (IB) research (Welch et al., 2011). A recent review of articles published in four core International Business journals over a 10-year period found case studies to be the most popular qualitative research strategy (Piekkari, Welch and Paavilainen, 2009). This finding surrounding case studies is not unexpected, given its potential to generate novel and ground-breaking theoretical insights (Welch et al., 2011). However, some researchers consider case studies as a weakness for social science research. Rowley (2002) argued that the most challenging aspect of the application of case study research is to boost the investigation from a descriptive account of 'what happens' to a piece of research that is capable of contributing to knowledge.

In addition, some argue that among the limitations of case study methodology is due to the fact that a detailed examination of a single example of a class of phenomena cannot provide reliable information about the broader class. However, it may be useful in the preliminary stages of an investigation since it provides hypotheses, which may be tested

systematically with a larger number of cases (Abercrombie, Hill, and Turner, 1984). Perhaps, for the same reason there are researchers who opted for mixed methodlogy which combines both qualitative and quantitative studies. Flyvberg (2006, p. 216) noted that this description is indicative of the conventional wisdom of case-study research, which if not directly wrong, is so oversimplified as to be grossly misleading. He agreed upon the fact that the case study is a "detailed examination of a single example," but rejected the notion that a case study "cannot provide reliable information about the broader class." There are various reasons which would perhaps explain the understanding on how case studies can provide reliable information about the broader class and as to why this approach is chosen for the context of this study.

Firstly, case study research is claimed to have excelled at bringing readers to an understanding of a complex issue or object and can extend experience or add strength to what is already known through previous research (Soy, 1997). Case studies emphasise detailed contextual analysis of a limited number of events or conditions and their relationships (Soy, 1997). This is relevant to this study as it aims at understanding the internationalisation of higher education in Malaysia.

Secondly, when the purpose of research is to address a specific problem confronting a decision maker and/or an organisation, case study methods is considered to be the most appropriate approach when addressing the research question (Stern et al., 1998). A researcher can either make a case study of the problem itself, or make a case study of a similar organisation that faced a similar problem, but has already taken action to solve the problem. The first approach targets the specific problem as the central research question (Stern et al., 1998). The second approach examines how other decision makers addressed a similar problem, and/or why an organisation facing a similar problem chose the course of action that it did (Stern et al., 1998). Schnelle (1967) stated that in order to manage these problems, the researcher usually focuses on the events in the life of a single person or of a single firm. He added that in case studies, details of a single event or a closely related group of events in the life of a single person or firm are often investigated. He concludes that an approach based on case study methods is, by design, problem solving research.

This study is not trying to understand or create a case study based on a problem that has occurred; what are the types of relationship that occurs for each types of modes available. Within this issue, there are universities that are already operating in Malaysia and have been successful using a particular mode of entry. For instance, the University of Nottingham and Monash University had been successful in Malaysia by entering through foreign direct investment. There are other universities that have replicated a certain mode of entry as

utilised by existing universities in Malaysia and are also successful when doing so. For instance, with regards to foreign direct investment, this includes the University of Newcastle. On the other hand, there are also universities which opted for different modes of entry such as the University of Sheffield and Teesside University. Therefore research is conducted here to address the issue on which of these approaches will provide optimum results.

Thirdly, Stern et al. (1998) also noted that when the purpose of the research is to build new theory, a researcher can consider two types of case study. One alternative is to choose one or two 'archetypical' organisations that seem to represent a particular type of organisation or decision set. Within the context of this study the particular type of organisations are universities and their different modes of entry, such as indirect export or export via intermediaries in the case of an education agency; direct export, i.e. sales subsidiary or regional office, international joint venture and foreign direct investment for international branch campuses.

The other option can be case studies made of 'outlier' organisations that are unique in their standard operating procedures, the business choices they make, or some other distinguishing characteristics of the decision maker and/or organisation. In this study, the distinguishing characteristic could potentially be the origin of the universities (Australia, UK), the country of origin of the universities which agents choose to promote (New Zealand and UK) or the type of partners they have selected. The type of partners vary, for instance for international joint ventures these are Private Higher Education Institutions in Malaysia, meanwhile for foreign branch campuses, their partners are usually corporations such as Sunway Group and Boustead Holdings. This is due to the fact that such cases are archetypical or because of their uniqueness; insights into case organisations' decisions and the consequences of their decisions may provide opportunities to broaden the theory based on which to build an understanding of organisations and their decision making processes. Yin (1984) noted that this approach is analogous to a laboratory scientist conducting a series of experiments.

Finally, case studies can be used to accomplish various aims: to provide description (Kidder, 1982), test theory (Pinfield, 1986; Anderson, 1983), or generate theory (e.g., Gersick, 1988; Harris and Sutton, 1986). The interest here is in this last aim, theory generation from case study evidence. It is understood that in order to conduct case study research when little has been reported, qualitative insights will provide more in-depth knowledge. Various techniques for organising and conducting the process successfully have been identified, which will be followed for this research (Stake, 1995; Yin, 1984; Simmons,

1980). These include: (1) Determining and defining the research questions; (2) Selection of cases and determining data gathering and analysis techniques; (3) Preparation to collect the data; (4) Collecting data in the field and (5) Evaluation and analysis of data. These will be discussed in the subsequent sections.

3.4 Determine and Define the Research Questions

The first stage is to decide whether case studies can be useful for a specific kind of investigation. Yin (1984) found that there are three factors that determine the best research methodology: (1) The types of questions to be answered; (2) The extent of control over behavioural events, and (3) The degree of focus on contemporary as opposed to historical events. For this research, the research questions were developed after literature review. Subsequently, after reviewing the Business Network Internationalisation Process Model, it was identified that there is a need to understand more on the type of relationship available within all of the actors of internationalisation as it relate to the specific case studies.

3.4.1 Research Questions

The issue of types of research question is the most significant in determining the most appropriate approach. An initial definition of the research question, in at least broad terms, is important in building theory from case studies. Mintzberg (1979, p. 585) noted: "No matter how small our sample or what our interest, we have always tried to go into organisations with a well-defined focus to collect specific kinds of data systematically." The rationale for defining the research question is the same as it is in hypothesis testing research. Therefore, if there was not a research focus, it is easy to become astounded by the volume of data. For example, Pettigrew et al., (1988) defined their research question in terms of strategic change and competitiveness within large British corporations. The scope of the definition of a research question within a broad topic permitted these investigators to specify the kind of organisation to be approached, and, once there, the kind of data to be gathered.

Yin (1994) stated that case studies are one approach that supports deeper and more detailed investigation of the type that is normally necessary to answer 'how' and 'why' questions. Typically, case study research uses a variety of evidence from different sources, such as documents, artefacts, interviews and observation, and this goes beyond the range of sources of evidence that might be available in historical studies.

Certainly in terms of internationalisation surrounding organisations and higher education, researchers are often concerned with 'how' or 'why' research questions. A few examples

could be: HOW are decisions made within the organisation? HOW do they begin exporting education? HOW do higher education institutions manage risk and uncertainty? WHY do higher education institutions choose local partners? Similarly, internationalisation researchers, like nearly all social science researchers, have very little control over the contextual variables of the research setting.

Meanwhile, with respect to their research objectives, most studies on internationalisation are generally aimed at describing, understanding and interpreting the reasons underlying internationalising firms (Oviatt and McDougall, 1994; Rennie, 1993; Knight and Cavusgil, 1996). All these studies attempt to highlight the differentiating characteristics, as well as the particular behaviours exhibited by firms abroad. It was also found that studies are often focused in a specific setting and the factors determining their international performance are usually compared with other counterparts regardless whether exporting is involved or not (Bell, 1995; Oviatt and McDougall, 1995; Madsen, Rasmussen and Servais, 2000). This is relevant to this study as it is focused on the higher education landscape in Malaysia to understand the internationalisation activities and investigate how the choice of mode of entry can influence performance.

It is understood, however, that some studies have adopted much more specific research objectives and a comparative explanatory framework approach can be detected in some of these (McDougall et al., 1994; Madsen and Servais, 1997; Oviatt and McDougall, 1997; Zahra and George, 2002). Within the scope of internationalisation, these could be the links that exist between new venture internationalisation, future performance and subsequent international growth (Erkko et al., 2000; Bloodgood, Sapienza and Almeida, 1996; McDougall and Oviatt, 1996).

Although in hindsight this study could be aimed solely at describing, understanding and interpreting the phenomena, a comparative explanatory framework could prove more useful in order to understand the links between all aspects that are involved when universities internationalise. These may include mode of entry, factors of internationalisation, internationalisation process and the risks associated with internationalisation. Eisenhardt (1989) noted that although this type of specification is not common in theory-building studies, it is valuable because it allows researchers to measure constructs more precisely. Researchers will have a solid empirical grounding for the emergent theory if these constructs prove important as the study progresses. For instance, in a study of strategic decision making in top management teams, Bourgeois and Eisenhardt (1988) identified several potentially important constructs (e.g. conflict, power) from the literature on decision making. This study

intends to do the same, i.e. by referring to the above-mentioned elements which can be found in the current literature in order to understand their link to performance.

Meanwhile, within the internationalisation field, studies with similar specific objectives exist (Burgel and Murray, 2000; Zahra, Ireland, and Hitt, 2000). These have analysed the determinants and learning effects of entry choice affecting start-ups. Another study was concerned with the management of risk in internationalisation surrounding emerging new ventures (Shrader, Oviatt, and McDougall, 2000). McNaughton (2003), meanwhile, examined the drivers associated with the number of export markets in a firm's market portfolio.

3.4.2 Control Over Behavioural Events

For this research it can be argued that the setting can be controlled in a few ways: (1) by choosing Malaysia as the location of focus and (2) by choosing Kuala Lumpur and Selangor specifically as the location where the institution is operating. Although the present time is not the sole period relevant to internationalisation research, a static snap-shot of the current status of a university or agency is at least relevant. These comments suggest that, at least in terms of Yin's parameters, the case study approach to research is particularly well matched with the realities and objectives of this study.

3.5 Select the Cases and Determine Data Gathering and Analysis Techniques

Within the current 'niche' of qualitative international business research, multiple case studies appear to be the most influential of research methods adopted by far (Werner, 2010). The ultimate aim of multiple case studies research is the construction of explanatory middle range theory (Frederickson 1983). In middle range theory building, the researcher disaggregates complex contexts and situations into more discrete, carefully defined chunks and then reintegrates these with an explicit analysis of their context (Bourgeois, 1979; Peterson, 1998). Eisenhardt (1989) argues that multiple case studies enable studying patterns that are common to the cases and theory under investigation. In addition, Eisenhardt (1989) also mentioned that multiple cases allow replication logic to be used, enabling researchers to identify the subtle similarities and differences within a group of cases as well as intergroup similarities and differences.

Yin (1984) stated that when using multiple cases, each case is treated as a single case. Yin also added that each case's conclusion can then be used as information contributing to the whole study, but each remains a single case. Stake (1995) claims that it is essential to

determine whether to study cases which are unique in some way or cases that are considered typical. It may also be useful to select cases to represent a variety of geographic regions, a variety of size parameters, or other parameters.

There have been various academic investigations which have utilised the multiple case study approach, one of which was the study by Johanson and Vahlne (1977) who made a significant contribution to knowledge within the field by establishing the internationalisation process model (the Uppsala model). In doing so, they formed four case studies of Swedish companies with operations in more than 20 countries. The four case studies were: (1) Volvo – automobile and truck manufacturer; (2) Sandvik – industrial tool manufacturer; (3) Atlas Copco - compressor and industrial tool manufacturer; (4) Facit - electro-mechanical office equipment manufacturer.

Meanwhile, in explaining the formation of international new ventures (INVs), McDougall et al. (1994) reported on 24 case studies. They used business press articles and an iterative networking process to locate international new ventures. This process allowed them to identify 12 INVs. Young et al. (1996) also used case studies in their work on internationalisation and Chinese multinational enterprises. With the aim to investigate further the processes of technological learning and accumulation at a corporate level through internationalisation processes they investigated five case studies on five state-owned enterprises from the People's Republic of China.

Sim and Pandian (2003) meanwhile drew on primary data from 12 case studies of emerging Taiwanese and Singaporean Multinationals Enterprises in the textile and electronics industries to expand their understanding of emerging Asian MNEs and their internationalisation strategies. Their work can be deemed as interesting due to the choice of companies from two different countries. With respect to the internationalisation of universities, McBurnie and Ziguras (2001) reported on the regulation of transnational higher education in south-east Asia. They drew on data from three case studies in three different countries: Hong Kong, Malaysia and Australia. Similarly, Huang (2006) also used three case studies from three different countries: China, Japan and the Netherlands to examine internationalisation of the curricula. Meanwhile, Mok (2009) based his research on three case studies in Malaysia, Singapore and Hong Kong.

In Parson's (2005) research on a new theory for educational change, four case studies were formed based on two higher education institutions in two unspecified countries. It can be observed that for internationalisation of higher education, with the exception of Parson, research had often focused on building case studies based on specific countries of focus. This

is certainly in contrast to research on the internationalisation of firms. With the aim to view higher education institutions as organisations, this study attempts to bridge the gap between the manner by which internationalisation of firms and higher education organisations are constructed, i.e. by focusing on a single country, Malaysia, and to look at institutions of four different characteristics based on different modes of entry that these institutions have selected in order to enter Malaysia.

The decision to conduct thirteen case studies is aligned with Eisenhardt's (1988) method in which her approach to case study research argues for the use of more than a single case. Eisenhardt (1988) noted that with fewer than four cases, it is often difficult to generate theory with much complexity, and its empirical grounding is likely to be unconvincing, unless the case has several mini-cases within it. Moreover, because Eisenhardt (1989) argues that the more cases a researcher studies the better (within certain limits) for generating theory. Therefore, with this thought in mind and despite using a multiple-case-studies approach, each institution will be treated as a single case.

Following Eisenhardt's (1989) recommendations, the selection of cases should not be random but rather; 'extreme examples'. As Eisenhardt (1989, p. 545) notes, "random selection is neither necessary nor even preferable" when one is extending theory. There are a lot of internationalisation studies which support Eisendhardt's view. For instance, Young et al. (1996) in their research on 'Internationalisation and Competitive Catch-up Processes: Case Study Evidence on Chinese Multinational Enterprises' outlined the criteria to include: (1) Companies that were among the top 500 industrial companies in China, as only the largest state enterprises had direct import and export autonomy, a prerequisite for subsequent outward Foreign Direct Investment (FDI); (2) The case companies had to be among China's top 250 exporters. Chinese companies were only allowed to retain 15-25 per cent of their hard currency earnings from exports, meaning that only large exporters could generate sufficient foreign exchange for outward FDI; (3) The core business of the case companies had to be in manufacturing; (4) The case companies had to be indigenous Chinese enterprises and (5) The companies had to have a minimum of four FDI projects in place with at least one in manufacturing.

In understanding the network relationship and the internationalisation process of small firms, Coviello and Munro (1997) reported on New Zealand-based software developers. They stated that the sites were generated based on a number of different characteristics, as suggested by Eisenhardt (1989). The criteria were differing product and market characteristics and the software developers' histories, which included both success and failure

in foreign markets. What they found from their research was that although the findings of the study are perhaps limited to high technology firms, the choice of a single sector minimises the impact of inter-industry differences. Coviello and Munro (1997) also claimed that the case sites were chosen for theoretical, rather than statistical reasons, in order to replicate and extend the emergent theory under examination.

For the purpose of this study, the selection of cases is based on the mode of entry utilised by each institution: (1) cases report on institutions that have entered the Malaysian higher education market via indirect export or export via intermediaries. Typically this mode constitutes education agencies that recruit students in Malaysia. There are three participating agents for these cases; (2) cases that represent institutions which have entered Malaysia via direct export or through a sales subsidiary. These reflect on the establishment of a regional office as the mode of entry into the Malaysian higher education market; (3) cases focus on international joint venture modes of entry. In this mode, there are five participants in which three are based in Malaysia and are working for Malaysian private higher education institutions. The other two meanwhile are located in the United Kingdom and have partnerships with Malaysian Higher Education Providers; (4) cases that consist of foreign universities that have entered Malaysia using foreign direct investment. There are three participants for this type of case.

3.5.1 Agents

Within the context of universities, educational agencies offer counselling and marketing services for foreign universities. There are 21 registered education agents in Malaysia. Out of the 21 recruitment agencies, three were selected for this study: Agent A, Agent B and Agent C. The respondents interviewed were the Manager, Recruitment & Communication at Agent A, Recruitment Advisor at Agent B and Owner of Agent C. The main criterion for selecting these three was down to the location of the universities that each agent promoted. Agent A represents universities from the UK, Australia and New Zealand; Agent B represents only universities from the UK. Meanwhile, Agent C solely focuses on New Zealand universities.

When observing the agencies, there were few characteristics which were important in influencing their selection, among which were the years that their agency was established. This could reflect on their decision to partner with specific universities. The year that an education agency is established and the selection of their partner universities is correlated with the demand of the Malaysian market and this could differ from time to time.

3.5.2 Sales Subsidiaries (International Offices)

These are foreign universities with marketing offices in Malaysia and three participants were considered here. This is particularly important due to the fact that as a sales office each university will have different calibre candidates that will eventually attend the university. Such students represent a very different target market selection. Three sales offices were selected: International Office A, International Office B and International Office C Respondents interviewed included the Director of the international office A, Director of International Office B and Regional Director, South East Asia of International Office C. Rationale for their selection was based on the university ranking and achievement.

According to the Complete University Guide (2013), International Office A is ranked at number 26, which makes the university among the top of those having an office in Malaysia based on rank. This is followed by the International Office B which is ranked at number 53 (The Complete University Guide, 2013). Meanwhile International Office C is ranked at number 97 (The Complete University Guide, 2013).

3.5.3 Investment Entry Modes (International Joint Ventures)

This type of case involves local private higher educational institutions which offer transnational programmes, such as twinning programmes, distance learning programmes and external degree programmes. Currently, there are 25 accredited local Private Higher Educational Institutions which offer such programmes (Private Colleges and Universities in Malaysia, 2010). However, for the purpose of this study; five participants were selected and these are: International Joint Venture A, International Joint Venture B, International Joint Venture C, International Joint Venture D and International Joint Venture E. The respondents interviewed were the Vice President and Associate Professor of International Joint Venture A; Vice President Operations of International Joint Venture B; Vice Chancellor of International Joint Venture C; Pro-Vice-Chancellor International of International Joint Venture D and Director of Partnerships of International Joint Venture E.

The reason for selecting International Joint Venture A is due to the fact that the university is of a Tier5 university status (MOHE, 2011). Tier5 universities are highly reputable universities. Apart from that, the institution has become a leading institution for higher learning in Malaysia. It has a firmly established international reputation among universities, research organisations, scholars, businesses, corporate leaders and governments in Asia, Europe and North America.

The joint award programme with the University of East London is particularly worthy of study. International Joint Venture A is ranked at number 30 in Malaysia (Setara, 2013), meanwhile the University of East London is ranked at number 124 (The Complete University Guide, 2013). This resulted in the eagerness to understand partner selection for this university. The university is a premium higher-education institution in Malaysia, but at the same time, the University of East London can be observed to be at the lower end within the UK education system. The University of East London was formerly the Polytechnic of East London until the institution was granted university status in 1992. The university status also makes this an interesting case for consideration.

Meanwhile, International Joint Venture B was selected because the University is a pioneer in twinning arrangements (Mok, 1999). The institution is owned by the same company that owns the majority share in one of the foreign branch campuses in Malaysia. In 2010 the institution was awarded a rating of 'Excellent' on the national SETARA'09 rating system, placing it as the leading group of Malaysian public and private universities on a par with foreign branch campuses and the best public and private universities in the country, in terms of the quality of its teaching and learning. The university was once again rated Tier 5 (Excellent) on the SETARA'11 index (SETARA, 2011). In 2013, the university was also rated as a Tier 5 (Excellent) institution on the Discipline-Based Rating System (D-SETARA) in the Hospitality and Tourism area. The joint award programme that this study is particularly interested to look at is the partnership with International Joint Venture D.

As for International Joint Venture C, the university is acknowledged to be one of Malaysia's premier universities of higher learning for technology. The university was founded in 1993 and has continuously won awards for excellence in education, research & development and for the achievement of its students. The joint award programme that this case is particularly interested to look at is the partnership with International Joint Venture E. International Joint Venture C is ranked at number 46 among Malaysian universities. Meanwhile, International Joint Venture E is ranked at number 113 among universities in the UK. International Joint Venture E was formerly North Staffordshire Polytechnic and was formed in 1970. The institution was granted university status in 1992. Similar to International Joint Venture A, the university status is also of significance and interest.

3.5.4 Foreign Direct Investment (International Branch Campuses)

Currently in Malaysia there are seven universities which have entered via this mode of entry. The seven universities are: Curtin University of Technology, Manipal International

University, Monash University, Newcastle University Medicine Malaysia, University of Nottingham Malaysia, University of Southampton and Swinburne University of Technology.

Monash University entered the Malaysian higher education market in 1998; it is located in Selangor, West Malaysia and originates from Australia. Education offered includes undergraduate and postgraduate programmes in Arts and Social Sciences, Business, Engineering, Information Technology, Medicine and Health Sciences, Pharmacy, Science, Diploma of Higher Education Studies and Summer Schools.

Curtin University of Technology entered the Malaysian higher education market in 1999; located at Miri, Sarawak and originating from Australia. Education offered includes Undergraduate and Postgraduate programmes in Art, Commerce, Engineering, Science, Technology, Foundation and Continuing studies. Meanwhile, Nottingham University entered Malaysia in 2000; it is located in Semenyih, Selangor and originates from the United Kingdom. Among programmes offered are Arts and Social Sciences, Engineering and Science.

Meanwhile, Swinburne University of Technology entered Malaysia in 2001 and is located in Kuching, Sarawak. Swinburne originates from Australia and offers Business and Commerce, Design, Engineering and Science, Information and Communications as well as foundation programmes also known as pre-university programmes. For Newcastle University, the Malaysian campus was formed in 2011 and is located in Iskandar, Johor. Newcastle originated from the United Kingdom and is only focusing on medicine programmes.

Another two fairly new institutions in Malaysia are the University of Southampton and Manipal International University. Southampton University was established in 2012 and similar to Newcastle it is located in Iskandar, Johor. The university originated from the United Kingdom and offers engineering programmes. As for Manipal International University, the university was founded in 2013 and is located in Nilai, Negeri Sembilan. Manipal is an institution that originates from India and offers programmes in science and engineering as well as management and business.

Two FDI cases were selected and these are Foreign Branch Campus A and Foreign Branch Campus B (participants from the Malaysian Campus and UK Campus). Foreign Branch Campus A was selected because the university was among the first international branch campuses to be established in Malaysia (Morshidi, 2005). The university was also chosen because the university developed from providing joint-award programmes via International Joint Venture C (Report on Public Sector Agencies, 2002).

The university has also claimed to have established a presence in Malaysia since the 1980s. Another rationale for selecting the institution is due to the fact that the university entered into an agreement to establish its branch campus with only one joint partner (Report on Public Sector Agencies, 2002). The Malaysian campus also claims to be in a unique position to offer the very best in higher education that is possible within Malaysia. Several factors are considered important when analysing the internationalisation process of a university. These include the impact of being an early entrant, bearing in mind the ranking of the home institution, the ranking in Malaysia and the organisational structure. The respondent interviewed was the Pro-Vice-Chancellor and President of Foreign Branch Campus A at that time.

Foreign Branch Campus B was selected because it was the first UK University to establish a campus in Malaysia. The campus was established as an incorporated company in partnership with two Malaysian companies. Therefore, this differs from Foreign Branch Campus A (who only have one partner). The institution also established its own purpose-built campus in Semenyih, which is 30km from Kuala Lumpur.

The home institution (based in United Kingdom) is ranked at number 24 in the UK and number 120 in the world (Complete University Guide, 2013 and Times Higher Education, 2013). Meanwhile, the Malaysian campus is ranked at number 16 among Malaysian universities (Setara, 2013). One of the reasons for choosing the university was to verify the strength of McBurnie's (2002) statement that remote campuses are less attractive than central ones. In addition, despite the fact that the university entered Malaysia just a few years after Foreign Branch Campus A, the university was the first UK entrant to establish a campus in Malaysia, which allows this study to analyse the impact as an early entrant and as a direct competitor for Foreign Branch Campus A. Respondents interviewed: were the Pro-Vice-Chancellor, who is based in the UK and Vice Provost (Teaching and Learning) who is based in Malaysia.

3.6 Preparation to Collect the Data

In order to collect data, participants were identified based on the position they held at their institution. Then, a number of participants from a single institution were selected, usually for universities the position would range from those who held the positions such as Director of Operations or Partnerships to Pro-Vice-Chancellors. In the case of direct export, the process was more straightforward in that only regional directors were chosen. As for indirect export, the priority was placed on selecting the owner of the agency or individuals who had a good

understanding, knowledge and experience of working in the context. Telephone calls were made to identify the respondents who at that time were to be interviewed. Emails were then sent to each participant. The email included a cover letter and an interview guide as observed. In the event that the respondent did not reply after more than three days, a telephone call was made. Telephone calls were also made in order to schedule a convenient time for the interview to be conducted.

3.6.1 Data Collection

Interviews are a common method used to collect data for case study research. Interviews are also common in studies on internationalisation. For example, Calof and Beamish (1995) conducted interviews with executives who were responsible for making mode change decisions. Young et al. (1996) also conducted interviews to elicit views from senior managers of international divisions of import and export departments in studying intermediate and competitive catch-up premises among Chinese MNEs. Furthermore, Ojala (2007) conducted 16 personal interviews with managers in each firm's headquarters in Finland and their subsidiaries in Japan in a bid to obtain fresh insights on the firms' international operations and entry into the Japanese market. Given the nature of this study, which focuses on internationalisation using multiple case studies as its methodology, personal interviews are considered to offer the optimum approach for the data required. The next subsection will now discuss the specific type of interviews used and highlight the secondary sources of data used in this study.

3.6.1.1 Primary Sources

Semi-structured interviews of about 90 to 120 minutes in length were undertaken with respondents who held positions as recruitment advisors, agency owners, regional directors, directors, Vice Chancellors or Pro-Vice-Chancellors from each institution or organisation. The number of interviews undertaken were based on time and cost considerations, plus the flexibility and availability of participants who were willing to discuss potentially sensitive issues associated with their internationalisation strategies. These participants were not randomly drawn as per Eisendhardt's (1989) method, but instead, were selected on the basis of the previously mentioned selection criteria. For this research, increasing the sample size would have meant relaxing some of the selection criteria and could have led the selection process to be out of focus from that which the study intended to achieve, i.e. to establish a link between mode of entry and performance.

3.6.1.2 Secondary Sources

Multiple secondary sources were used for this study such as government websites, higher education institutions' websites, sales agencies' websites, education blogs, magazine articles, newspaper articles, policy papers with regard to higher education, Malaysian trade regulations, annual reports and journals.

3.7 Evaluation and Analysis of Data

Qualitative approaches are incredibly diverse, complex and nuanced (Holloway and Todres, 2003). In order to conduct analysis for this study, thematic, cross-case and within-case analysis is applied. Thematic analysis is poorly defined and rarely acknowledged, yet widely used in qualitative analytical methods (see Boyatzis, 1998; Roulston, 2001). Holloway and Todres (2003, p. 347) identify "thematising meanings" as one of a few shared generic skills used across qualitative analysis. For this reason, Boyatzis (1998) characterises it not as a specific method but as a tool to use across different methods.

The reason for choosing thematic analysis for this study is due to the philosophical stance that this study follows which is the interpretivistic view. Cassell et al. (2012) noted that template analysis is in practise very similar to interpretative phenomenological analysis (IPA). This is in terms of the development of conceptual themes and from the clustering aspect which includes broader groupings as well as the eventual identification of across-cases of master themes with their subsidiary constituent themes. This study opted to use both thematic analysis and IPA, given that IPA tends to analyse individual cases in greater depth before attempting any integration of a full set of cases. For this research, the broad themes that will be examined were illustrated in the Research Framework (Figure 4.1). The broad themes are: Mode of Entry, Factors or Drivers of Internationalisation, Internationalisation Process, Risks associated with Internationalisation and Success and Performance.

Meanwhile, computer assisted qualitative data analysis software (CAQDAS) which has become a common tool for the qualitative researcher (Easterby-Smith et al., 2002) will be utilised, specifically N-Vivo Version 10. This is despite criticisms of a reliance on computer analysis. For instance, Bringer, Johnston and Brackenridge (2004) suggest that the ability to conduct frequency counts, neglects the opportunity for contextual analysis presented by the data and can lead to an inappropriate quantification of the research study. Similarly, the ability to code and retrieve easily can result in a fragmentation of the data that loses the narrative flow, which is one of the principal reasons why a qualitative approach was taken in the first place (Bryman and Bell, 2007).

Despite that, there are advantages in using CAQDAS, one of which is that it allows for a level of transparency in this method. The level of transparency is achieved through analyses that are conducted and through exploration of the research topic that can be seen from evident of theories used and systematic documentation using the software (Bringer et al., 2004; Bryman and Bell, 2007). Wickham and Woods (2005) also note several advantages of using computer software. They point to features such as the ability to code multiple categories, the support of complex code structures and the facility to construct searchable memos and annotations.

3.8 Generalisation

The use of case studies often raises the issue of generalisability (Platt, 1980). Bogardus (1926) noted that the case study method based on personal experience, is in a way proportionally as vital as a million to the extent that it brings something new before the mind that may be related to what is already known and hence may be understood. Although Bogardus praised the use of case studies, but his statement highlighted an important flaw, namely the case study is identified by looking at personal meanings and is interpreted by a researcher based on his or her meaning. In reflecting on the use of case studies as a methodology for this study and given the interpretivistic view that this study holds, it is certainly true that the research is not only based on personal experience of the respondents, but also involves the personal understanding of the researcher based on the evidence collected.

Therefore, in order to overcome this, there are methods in which it can be avoided: (1) although it relates to the personal experience of the respondents, this research is not solely focusing or utilising interviews as a single method for data collection. This study will also consider various other resources such as governmental websites, past research, YouTube videos, blogs, newspaper articles and magazine articles that are independent from the institution that had been interviewed. (2) Although the data can be interpreted through personal understanding of the researcher, transcripts had been provided to the respondents to reconfirm the data provided.

Among the reasons are, first, to construct validity. Second in order to allow this research to understand the experience by attaching the experiences of the respondents and the researcher, in short the interpretivist approach. Generalisation of the case study is also found to be paramount to any study as it contributes to the generation of theory. Generalisation can only be performed if the case study design has been appropriately informed by theory, and

can therefore be seen to add to the established theory. In this event, the case study design is reflective to the literature review and the research question depicted from the literature review both on the internationalisation of firms and universities. The research framework was also designed based on theories available and the choice of methodology considers methods and methodologies that had been used in both fields.

Another consideration in which generalisation can be achieved is as Palmer (1928) suggested that each case may be assumed tentatively to display the common qualities of the species and may be treated as a specimen. A social science researcher can therefore conduct his investigation similar to a medical student when dissecting his cadaver to discover the universal, fundamental functions of different parts of the human body. Although, as this study adopts a multiple case study approach which can sometimes be viewed as alarming as it could potentially lead to the inability to generalise, it can be argued that each case can be construed as the different parts of a human body which are used to perform its own functions. The combination of all the cases can therefore be seen as performing the functions of the human body, but within the context of this study, it will therefore provide an overview of the internationalisation of higher education in Malaysia.

Rowley (2002) noted that multiple case studies can be regarded as equivalent to multiple experiments. She added that the more cases that can be marshalled to establish or refute a theory, the more robust are the research outcomes. As with this study, cases were selected carefully in order to ensure that similar results (literal replication) could be obtained, or in the case that contrasting results but for predictable reasons do occur, a theoretical replication can be obtained. A single case study can be viewed as conducting a single experiment whereas multiple case studies can be considered as conducting multiple experiments. Therefore, it can be argued that, since scientific research requires at least an experiment to be replicated three times, by choosing multiple case studies, this study is close to achieving the replication and generalisation that can otherwise be achieved through scientific experiments.

The method in which generalisation can be further achieved is through the analytical tool that this study selected. In general, there are two kinds of scientific generalisation that are available: statistical generalisation and analytic generalisation (Yin, 1994; Kvale, 1996). Pauwells and Matthyssens (2004) argued that by definition, there are two reasons why qualitative research is not suitable for statistical generalisation: (1) it does not rely on random sampling and (2) without an estimate of population variability in qualitative research; no basis for statistical inference exists. In this study, the use of random sampling will limit the

understanding of every aspect of internationalisation associated with universities in Malaysia. The choice of random sampling, although able to eliminate subjective bias will, however, include institutions in Malaysia that could potentially be of different characteristics out of hundreds of institutions that are available. Given the exploratory nature and in-depth explanation required for this study, having an institution with the same characteristic could limit the chance of obtaining a full or bigger picture on the scope of internationalisation of higher education.

As statistical generalisation is unsuitable for this study, therefore, analytical generalisation is used. Analytical generalisation provides a template to compare the empirical results of the case study. If two or more cases are shown to support the same theory, replication can be claimed (Yin, 1994). In analytic generalisation, each case is viewed as an experiment, and not a case within an experiment. The greater the number of case studies that show replication the greater the rigour with which a theory has been established. In order to further ensure the effectiveness of the analytical generalisation for this research, thematic analysis is used. Thematic analysis will help to generate a more focused result and therefore hopefully ensure that the same theory could be supported.

According to Giddens (1984), research which is geared primarily to hermeneutic problems may be of generalised importance in so far as it serves to clarify the nature of agents' knowledgeability, and thereby their reasons for action, across a wide range of action-contexts. One can generalise in the ways Giddens described and that often this is both appropriate and valuable. However it would be incorrect to assert that this is the only way to work, just as it is incorrect to conclude that one cannot generalise from a single case. It depends on the case one is speaking of and how it is chosen.

3.9 Validity and Reliability

Mitchell (1983) argues that validity depends wholly upon demonstrating that the descriptions portrayed are representative of the principle and not of a population (as would be the case in survey research). In reflecting on this study, it can be concluded that there is possibility that validity can be achieved in so much as multiple case studies provide a broad overview relating to the case population. This study is not solely focusing on a certain cluster of respondents within an institution or even a certain cluster of respondents that hold the same position across all cases. Moreover, it took into consideration key players within the Malaysian higher education industry and therefore can be considered somewhat representative of the principle.

Meanwhile, Yin (1994) stated that in order to test for establishing validity and reliability, interpretivists would first consider construct validity, internal and external validity and reliability (all of which are well known from quantitative research approaches). Construct validity is concerned with establishing correct operational measures for the concepts being studied. This is concerned with exposing and reducing subjectivity, by linking data collection questions and measures to research questions and propositions. The unit of analysis for this study is based on the different modes of entry. The measurement that this study is interested in is therefore based on Figure 4.1: the Research Framework. It includes Mode of Entry, Factors or Drivers of Internationalisation, Internationalisation Process, Risks associated with Internationalisation and Success and Performance. The data collection questions as illustrated earlier were carefully selected from the literature available within the field of internationalisation.

Internal validity is said to be paramount in establishing a causal relationship (cause and effect) whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships (Yin, 1994). In particular, case study research intends to find generative mechanisms looking for confidence with which inferences about real-life experiences can be made. That is, the researcher does not only highlight major patterns of similarities and differences between respondents' experiences or beliefs, but also tries to identify what components are significant for those examined patterns and what mechanism produced them (Riege, 2003). For this study, this had been obtained from the initial phase before data collection was performed. Understanding and obtaining knowledge about an institution allows room for additional questions to be asked. Prior knowledge and understanding also help to provide more focus and selection, but at the same time generate the most from the data collection process.

External validity is concerned with establishing the domain to which a study's findings can be generalised (Yin, 1994). The focus of external validity lies in understanding and exploring the constructs. Usually the comparison of initially identified or developed theoretical constructs and empirical results of single or multiple case studies (Riege, 2003). This can be observed throughout this chapter from the rationale given for selecting a case study methodology to the choice of using multiple cases.

In order to construct reliability, Yin (1994) referred to corresponding tests such as credibility, transferability, dependability and confirmability which refer to more qualitative approaches and should be incorporated to enhance the quality of case study methods. Miles and Huberman (1994) stated that the questions to be asked in qualitative studies with regard

to confirmability are: (1) Are the study's general methods and procedures described explicitly and in detail? (2) Do we feel that we have a complete picture, including backstage information? (Miles and Huberman, 1994). 3) Are study data as obtained available for re-analysis by others? From various sections in this chapter, this study has attempted to answer such questions.

As for credibility, the questions that can be asked are: (1) How rich and meaningful or thick are the descriptions? (2) Are the findings internally coherent? Are concepts systematically related? (Miles and Huberman, 1994). Given that the findings are not mentioned in this chapter, the response to these questions can only be illustrated in the next chapter. As for transferability, a few questions can be taken into consideration: (1) Do the findings include enough thick descriptions for readers to assess the potential transferability appropriateness for their own settings? (2) Are the findings congruent with, connected to, or confirmatory of prior theory? (Miles and Huberman, 1994). Again, this can only be explained in the next and later chapters.

Meanwhile, dependability is concerned with the questions such as: (1) Are the research questions clear and are the features of the study design congruent with them? (2) Have things been done with reasonable care? (Miles and Huberman, 1994). The research question for this study can be seen as the heart of the operation of this study.

CHAPTER FOUR: FINDINGS AND ANALYSIS

4.1 Introduction

This chapter will begin by presenting the findings obtained from this research. The data were collected in response to the problems posed in Chapter One of this research. Two fundamental objectives drove the collection of the data: (1) to understand the nature of internationalisation of universities in Malaysia and (2) to analyse the performance of higher education institutions that operate in Malaysia. Having shown the findings the data analysis will be presented. There are three types of analysis conducted for this study: (1) within case analysis and (2) cross-case analysis.

Thirteen institutions were examined in depth to provide thirteen case studies for this research topic. Evidence used to form these case studies came from a total of fourteen semi-structured interviews with institutions both local (Malaysian) and foreign (institutions from Australia and the United Kingdom) that are involved in aspects of internationalisation of higher education in Malaysia. For Case Thirteen Foreign Branch Campus B, interviews were conducted both with the Malaysian campus and the home campus. Information granted from the website of the thirteen institutions is also provided in this chapter. These institutions established their presence in Malaysia via different modes of entry, such as by using education agencies, the establishment of regional offices, international joint venture and the establishment of foreign branch campuses.

4.2 Discussion of Findings and Analysis

The semi-structured interview comprises ten sections including the background of each institution. Data was originally collected which comprised of nine themes which aimed at understanding factors of internationalisation, market entry processes, advantages and disadvantages throughout the course of establishment in Malaysia, operation, understanding home market (Malaysia or foreign market), changes in organisation, risks or barriers associated with internationalisation as well as performance and success. However, in light of the recent Business Network Internationalisation Process Model which was proposed by Johanson and Vahlne (2009), the sections has been narrowed down in order to achieve the aim and objectives of this study. The two research questions are: (1) What are the types of relationship that exist and (2) What are the impacts of these relationships with regard to internationalisation process. Each section will be presented first by outlining the background

of each institution. The discussion on the types of relationship will subsequently follow. When reviewing literature on internationalisation of curriculum, it can be identified that there are two types of relationship to be explored: Internal and External. This can also be divided into: Direct and Indirect. The discussion on the impacts of these relationships will subsequently follow. A summary is then provided at the end of each section.

The purpose of presenting and interpreting the data is to ensure that the data will provide a clear understanding of the relations between research problems and conclusions drawn (Darke, 1998). In addition, this is to ensure reliability and validity, especially given that a researcher often interprets research results based on their own account of meaning and implications (Fink, 2000). The first part of analysing the data involves coding which involves naming and categorising of phenomena through close examination of data collected. As specified in Chapter 3: Research Methodology, the software used for coding and analysis is NVivo Version 10. The data was coded and categorised as pertinent with Chapter 2: Literature review. This study adopted within case analysis.

Patterson (2010) stated that within-case analysis in case study research is the in-depth exploration of a single case as a standalone entity. This means that an intimate familiarity with a particular case is required. This is to distinguish how the processes or patterns that are revealed in that case support, refute, or expand either a theory that the researcher has selected or the propositions that the researcher has derived from a review of the literature and/or experience with the phenomenon under study (Patterson, 2010).

For the purpose of this research, within case analysis is conducted due to two reasons: (1) as a consequence of the interpretivism philosophical approach that this research upholds and (2) the understanding on the advantages of selecting case study as the research method for this research. In Chapter Three: Research Methodology, it was mentioned that Amaratunga and Baldry (2001) suggested that the interpretative approach understands reality as being holistic. In order to gain the holistic view on internationalisation of universities in Malaysia and when doing so not taking for granted patterns that emerged, this can only be done by conducting within case analysis. This is also in order to appreciate the different constructions and meanings the respondents place upon their own experiences as well as in order to understand the reasons for these differences as consistent with the findings by Easterby-Smith (1991) and Remenyi, (1998).

In addition, as previously mentioned, Robson (2002) stated that interpretivistic approach stated that there is no one reality, rather reality is based on an individual's perceptions and experiences. There are thirteen cases for this research involving four

different modes of entry, the reality on the concept of internationalisation of universities derived from all the cases, although there are similarities, the realities provided are unique based on each cases and at the same time corresponds with the statement by Amatunga and Baldry (2001) in that it will provide a holistic view.

Meanwhile, this also corresponds with the selection of case study method since the method is based on the need to understand a real-life phenomenon, for this research the real life phenomena is with regard to internationalisation of universities in Malaysia. In doing so, it is believed that new holistic and in-depth understandings, explanations and interpretations about the respondents' experiences which would have been unknown will be obtained.

4.2.1 Case Study One (Agent A)

4.2.1.1 Background

Agent A was founded in 2005 or 2006. Currently, there are seven employees working in three branches. At least two employees work in each branch. The first branch that was established is located in Cheras. The agency first started at a first floor unit before they then moved to a bigger unit on the ground floor. Two to three years later, Agent A then expanded to Petaling Jaya and later on opened a branch in Subang. There were two other branches that were located out of Kuala Lumpur and Selangor; one was in Sarawak and another in Penang. However, Agent A stopped operating in both states because they did not have enough employees to work in these offices.

Agent A recruited quite a good mix of Chinese and Malaysian students and would recruit approximately 200-300 students per year. The agency have active partnerships with about 40 universities in the UK, ten in Australia and about five universities in New Zealand. There are only eight universities in total in New Zealand, among which three are represented by Agent A. Students, can apply directly through Agent A or sometimes they would apply through UCAS. There is a group of universities represented by Agent A which only accepts UCAS applications. There are also universities which are more aggressive and therefore they would accept applications from students who apply through Agent A.

4.2.1.2 Types of Relationship and the Impact of the Relationships

There are a number of relationships which exist for Agent A. This include: relationship with employees, relationship with students, relationship with partners, relationship with prospective partners, relationship with education councils and the indirect relationship which

existed due to the experience of the owner. The only type of internal relationship which occurs is in between employees working for Agent A. With regard to this type of relationships, Agent A informed that, within their organisation, this includes the supervision from senior partners.

> *"Junior consultants attend meetings with students in order to familiarise them with the type of questions that are often asked. Sometimes there could be senior partners and if that is the case we do not speak to the students as much unless we have accurate information."*

The impact of such supervision, result in learning. Learning is one of the components identified within the change variable as illustrated by Figure 2.1 Business Network Model Internationalisation Process in Chapter 2. Agent A clarified that:

> *"We will learn this way, from our senior partners and talking to students. It is the best way."*

Meanwhile as for the external type of relationship which exists is with regard to students. Agent A highlighted that:

> *"Our students know us personally not as their agents but sometimes as their friends. For us, it is not just about getting them an offer from the university of their choice but, we would keep in touch with them even with students who have graduated."*

Another type of external relationship is in relations to partners with (1) existing partners and (2) with prospective partners. Agent A explained the characteristics of the partners that they represent:

> *"Most of the universities that we represent offer similar courses; however they differ in terms of campus sizes, environment, and strengths in certain subjects. We do represent universities from different types of ranking to cater for different groups of students. For students who are academically strong we have Durham and other top universities. For average students, we represent a number of good modern universities and if they are looking for transfer, which most of them are, we do represent universities that do specialise for these kinds of programmes."*

They also explained the type of relationship that they have with their partners:

> *"The only way we could influence the decision making process is in terms of providing advice in terms of the method to attract more students. In terms of marketing materials we do not have a lot of say because the universities have their own materials that comply with certain rules and regulations."*

This relationship impact Agent A in that:

> *"People would relate certain universities to us, for instance, Oxford Brookes University does have a January intake so in November they will be marketing for the January intake. Eventually students started to link our agency with Oxford Brookes University. In addition, we get to ride along with the universities' marketing campaigns. Therefore we get to advertise our name in the market."*

It can be argued that, therefore this create a brand image for them which could possibly impact on their opportunity when recruiting students. However, Agent A also noted that:

> *"If students relate us to a certain university and this is not the university that they would want to attend, then they will tend to meet up with other agencies."*

Meanwhile, with regard to prospective partners:

> *"Sometimes, universities approach us requesting that we represent them but sometimes we would also actively go out to find universities to represent."*

Another type of external relationship is with education councils from three different countries and this include: (1) The Australian Education International, (2) The British Council and (3) The New Zealand Education Council. As previously mentioned, direct and indirect relationships can also occur. For instance, although relationship with students and partners are considered as external to their operation, however, they forge a direct relationship with Agent A. However, the relationship with the education councils can sometimes be both direct and indirect. It is indirect as explained by Agent A:

> *"The New Zealand Education Council has a network committee in which students can search from the New Zealand Education website and then the agent's name will be displayed on this website as a specialised agent."*

For a direct relationship, with an education council, this is as illustrated by their relationship with the Australian Education International, in which case this provides opportunity:

> *"Australian Education International said they held workshops on Australian education and they do sponsor the test fees for the qualified counsellor's agents. There are ten seats available in which upon passing the test, the Australian Education International will subsidise the fees. My colleagues and I managed to get our qualification for free."*

Agent A also added that:

> *"We also enjoy benefits in terms of visa briefing seminars, and new visa rulings for all the three countries that we represent. There are also marketing events and also the day before the education fairs there will be a networking event so that we could get to know the universities."*

Meanwhile, there is also an indirect relationship which occurs. This is with regard to the relationship network of the owner. According to Agent A:

> *"The owner has a degree in Law and Business from New Zealand. He was working with a couple of institutions locally and abroad. Due to the experience that the owner has had in the higher education industry, he managed to build up his network of people since then, which is about 10-15 years ago."*

The impact of this relationship can be observed to reflect on the state aspect within the Business Network Internationalisation Process Model (Johnason and Vahlne, 2009):

> *"One of the universities in New Zealand was selected because the owner is an alumnus at the university. The owner also has a personal link with someone from the University of Griffith and that is how we ended up representing them."*

Another type of indirect relationships which occur is in relation to their competitor. In which case, Agent A explained that:

> *"Our biggest competitor will be Mabecs because they are the oldest agent in Malaysia and they would send thousands of students every year."*

4.2.2 Case Study Two (Agent B)

4.2.2.1 Background

Agent B was established in 1996. Since establishment, Agent B has represented a number of prominent universities, mainly in Wales, including Swansea, Cardiff and the University of Aberystwyth. In addition, Agent B also represents a few Scottish Universities. The universities have different rates of activeness, i.e. some are more active than the others. Meanwhile others are more dormant, i.e. Agent B has worked with them for a while but they have not managed to recruit students for these universities.

Currently there are only four employees working at Agent B including the management director, education counsellor, a secretary and the respondent herself. Agent B recruits students from different areas in Kuala Lumpur. As an education agency, Agent B would provide students with advice. They also maintain good knowledge of the universities that they represent as well as the courses available.

4.2.2.2 Types of Relationship and the Impact of the Relationships

There are a number of relationships which occur for Case Two, this include the relationship with their partner, the relationship with prospective partners, the relationship with students, the relationship with prospective students, relationship with parents, the relationship with British Council, the relationship with competitors operating in the market and the relationship with government and the relationship with bodies governing professional qualifications. For relationship with their partner, Agent B stated that:

> *"The foreign universities come to Malaysia often; in fact we just took one of the foreign university representatives for lunch today. We would speak about our students and other matters. Currently with technology advancement, we are able to speak to communicate better by using Facebook and Skype."*

In terms of their relationship with students, Agent B informed of a situation which could halt trust building:

> *"For instance, a student who had failures in the past and cannot actually transfer for their final year. Some students would hide their failure and if we know about it but choose to close our eyes on the matter, it is legally wrong. Some agents can also be really aggressive where they would fill in the forms for the students which are wrong."*

However, there has also been an instant in which they could risk their relationship with students. Agent B provided an explanation on an incident that happened:

> *"There was an incident last year, in one of the universities, the local students had to pay a small fee to enter an institution, therefore there were a massive influx of local students into the university, and therefore they did not have enough places for the international students. As a result, because we had about 100 students that were going to a single university, they were trying to accommodate all the students but they just could not. Therefore our students had problems with accommodation and they were spreading bad news about our agency to their friends. It became a nightmare for all of us. The university did their best in managing the problem; they even deferred some of the local students so that they could accommodate the international students. I do not know if this incident affected our reputation but this year we have about the same number of students that applied to us".*

Meanwhile, in terms of the relationship with their competition, this can be argued to be in the form of direct and indirect relationship with their competitors, especially during the education fair, in which case Agent B and their competitor would have to represent the same partner:

> *"Usually for education fairs, it will go on for two days so what we would do is to attend for one day and the other agent will attend for the other day."*

The relationship with their competitor can have indirect negative consequences in terms of their relationship with prospective students. There will be the lack of trust between them and the student as well as between Agent B and their competitor. Agent B stated that:

> *"Sometimes students are not aware of this arrangement during education fairs so they will meet with one agent first and then they will meet with us, so how we would rectify the situation is to ask the student if they have seen another agent before they meet us."*

She also informed that:

> *"For students who have seen another agent we would then inform them that we cannot assist them. As much as we would like to assist them, we do not want to create any problems with the other agent. Most of the time, however, we would meet with one agent but sometimes there are students who found out that we are located closer to where they are staying and therefore would want to deal with us instead. If the*

student insists on getting our service then we would ask the student to request with the university to change the agent that will represent them."

With regard to their relationship with students, they focused on the importance of honesty:

"We would usually tell our students the truth and we would prepare our students in advance about the environment of the universities that they will attend. For instance, Aberystwyth, Malaysian people cannot even pronounce the name of the place and to get there, they will have to pass through a lot of farms. When the students reach there they informed me that it is actually a really nice and beautiful town. I have spoken to a lot of the graduates from that university and a lot of them informed me that they enjoyed studying there. So this is where our graduates can help us."

Agent B also identified another type of relationship and this is with regard to the students' parents. This relationship suggests a working relationship between Agent B and their partner in order to serve their customer, i.e. the parents:

"We would try to assure our students and we would inform our foreign partners to be more acceptable towards parents who can be condescending. However, most of our partners are already experienced in Malaysian culture as they had been to the country a few times. However, if they are here for the first time we would advise them that it can be the parents who would be asking questions but the student will be quiet. This does reflect quite badly on the students but they are already adjusted to the fact that Asians can be very collective and we look after our children."

Meanwhile, in terms of their relationship with the British Council, she clarified that:

"They will inform us about visa changes, they will hold talks and I also did an exam to be a certified agent. There are only about 6-7 other agents who have the certificate. The course is not run all the time. There is no problem to work without the certificate but having the certificate means that we are operating in the right way."

British Council also provides a link between Agent B and their prospective partners:

"Basically sometimes during education fairs or sometimes the university representative officer will come to Malaysia and go to the British Council to get the database for education agencies in Malaysia. They will then choose the agent that they think they can work with. If we are lucky, they will then select and approach us

by email or phone. They will then ask us to meet with them and we will then discuss how to work together, marketing strategies and the commission rates. Normally if both parties are happy and we know that we can work together, the university will then send us an agreement"

In terms of the relationship with their partner, Agent B stated that:

"For the universities that we choose to represent, because different universities have different strengths, we do not pick just one particular course, we would try to promote one particular course that a university has strength in but ultimately the university as a whole regardless of their strengths"

Agent B provided the following example:

"Say, for instance, the University of Swansea is well known for their engineering course but at the same time the university was one of the first universities to offer an Actuarial Science course. However, now they have stopped offering the course as it is difficult for them to recruit faculty members to teach the course. What I am explaining is that a university offers more than one course and does not only offer one particular course so we would try to promote the university as a whole. We also depend a lot on the strength of the university."

She also mentioned that, for this type of relationship, learning occurs in terms of staff training:

"A lot of the universities would come to Malaysia every now and then. They would come to conduct staff training with us where they would also update us on the latest news about the university. Sometimes, we would receive newsletters from the universities. It is how we would keep in touch with them. However, mostly they would come to Malaysia depending on the budget allocated for them to do so, sometimes we would go and have dinners with the students as well".

However, in this type of relationship, it can be argued that there is a limited sense of trust, Agent B explained that:

"All the marketing materials will be provided by the universities. The only time when we need their endorsement is for instance to advertise in the newspaper. We would have to be careful with our choices in terms of the words that we use so we would

have to check with the universities. As for banners, some are given by the university so we would not have any problems but there are some that we would make ourselves so we have to go through the words that we display on the banner. Therefore, we have to check with the universities, whether or not they are ok with the banners."

She also provided the rationale for fostering relationship with more than one partner:

"I think with changes we would have try to adapt to the environment that we are in especially when universities that we represent will come and go. If we represent one university, the chances are that the other university will be quite alike so there is not a lot that we can do"

However, this is not without its disadvantage, Agent B stated that:

"We did face conflict with universities, for instance with marketing the law degree. We represent two good law universities, Cardiff and Aberystwyth, so we do get staff from either university who would try to convince the students to attend to their university instead of the other university. As a result, we are stuck in the middle and we would not know how to advise the students."

In terms of their relationship with perspective partners, Agent B also provided an explanation:

"Normally, the university themselves will approach us. This is because it will not work if we approach the universities as they will have so many agents to choose from."

In the case of new universities, Agent B found it tricky:

"The new universities will have to do a lot of work but at the same time they do not have high expectations. They would come to Malaysia mainly to scout for agents and also to introduce themselves. So since they already have an agent in Malaysia, we would just use them so that we could reflect in terms of the portfolio of universities partner that we represent. If it is a new university, there is not a lot that we can do for them but at the same time we will at least have a variety of choices to offer to our students."

In terms of relationship with the government and bodies governing professional qualifications, Agent B stated that

> *"Sometimes there could be policy changes by the government or changes by bodies governing a certain profession."*

Agent B provided an example with regard to the engineering body:

> *"A few years ago, they introduced the four-year course in order to achieve the chartered engineering qualification. Before this, we had a huge number of students who applied for engineering course and suddenly we do not anymore. To do a MEng course, it will cost more for them."*

Agent B noted the similarity with the architecture course:

> *"There is a governing body known as the Royal Institute of British Architects that will provide recognition from the Lembaga Arkitek Malaysia. However, there is another governing body that has entered called ARB and that affected our market quite badly because now you need two accreditations. As a result, students had to take an additional year and this will cost them money. So we could have a certain number of students entering a university and then suddenly we do not have these students anymore. Sometimes we would have a university that is more active than the other for one year and the next year this will differ."*

4.2.3 Case Study Three (Agent C)

4.2.3.1 Background

Agent C was founded in 2009. The operation is based on the SOHO (Small Office Home Office) concept which means that the office is located at the back of the respondent's house in Bandar Sunway. There are two employees for the company including the respondent. The other employee is her son, who is only involved in managing the website for the company. Agent C works with 8 universities and over 30 polytechnics from New Zealand (NZ).

Among the services provided by Agent C include assisting students to enrol into courses offered by the partner universities and polytechnics both for undergraduate and postgraduate programmes. Sometimes this involves enrolment into the articulation programmes. Students will usually meet up with Agent C then their application will then be sent directly to the university. Agent C's website stated that the company also provides services such as

counselling for students and adults seeking to further their education, identifying market opportunities for institutions and their products, profiling services for educational institutions, providing services for accreditation of institutional products, researching and seeking training opportunities for institutions and placement of students in NZ Education Institutions.

The website also explains that the purpose of the agency is to facilitate the empowerment and growth of individuals and organisations. The company aims to provide opportunities for expanding their horizons of teaching and learning taking into consideration the human and social dimensions. This underpins the guiding principle of the company which is to create opportunities for people and organisations by transcending boundaries.

4.2.3.2 Types of Relationship and the Impact of the Relationships

There are only three types of relationship for Case Three and these are: relationship based on personal network, relationship with students and parents, relationship with partners and relationship with the government.

Agent C reflected upon her personal experience which also suggests her relationship network:

> *"I started working at Sunway College from 1989 to 1996. I was in charge of the Australian Matriculation programme there. During that period of time, I looked at the initial phase for twinning with universities such as Curtin and Monash. Sunway was at that time the premier in twinning. We mostly only offered one-year programmes back in the day. I then worked for Sepang Institute of Technology/ HICT, which I believe, was the first institution to offer 2+2 programmes. I worked with universities from Adelaide, South Australia as well as for transfer programmes with the UK and US. I was in charge of setting up foundation course as accredited by the University of Adelaide."*

With regard to the impact of her personal experience, she stated that this influenced her decision to establish her business:

> *"After that, I was working with JM Education Malaysia (JMECC) which is a private education consultancy. I worked with them from 2004-2008. When working for JMECC, I oversaw the promotion, marketing and recruitment of students for both undergraduate and postgraduate degree courses overseas. I did extensive work in profiling tertiary institutions in Australia, New Zealand and the Netherlands in Malaysia. At the end of 2008, I left JM Education because there was a major restructuring there. I then decided to take a break. The main reason was because of a*

shift within JM Education's company culture; after all I am an educationist at heart but student welfare comes first. When I was working at JM, I set up the New Zealand market for them."

She also added that:

"I decided to focus on New Zealand because of my previous experience with the country and on the education market. I believe that the market is unexplored, not too commercialised in their approach as compared to the Australian and UK education markets, which are more commercialised. I didn't want to operate in a hypermarket. So when I completed my Masters course, I realised that there are a lot of things or ways to cover the New Zealand higher education market potential."

Agent C also explained her relationship with students and their parents:

"I always ensured that my students and their parents were happy even after the first year had passed. I would meet up with them when they are back for holidays etc."

With regard to her relationship with government, this is in terms of the government of the universities she is representing:

"I went through the processes and I am now a specialist to represent universities in New Zealand. I have accreditation from the government to represent a spectrum of choices, which includes eight universities and over 30 Institutes of Technology. The accreditation also allows me to send students to other institutions that I do not have a connection with."

4.2.4 Case Study Four (International Office A)

4.2.4.1 Background

The office was established sometime between 1997 and 1998. There are two employees in total, including the respondent who is the Director and there is a company secretary. The regional office in Malaysia controls the institution's international activities in all the 10 ASEAN countries. The university does not have any other offices in South East Asia. They have an office in Nigeria but it is not quite an office of the same level as the one in Malaysia. It is partly to do with administrative work, as Nigeria is a country that is difficult country to get things out to; it is quite complex and certainly not safe.

International Office A looks after the whole of the South East Asian region but actively focuses on Singapore, Thailand, Indonesia, Vietnam, Brunei and more recently the Philippines. It is purely for the purpose of student recruitment, which falls under marketing and it is the main work that we look at. International Office A also provides support for the home campus in terms of twinning link, articulation links and looking for opportunities as well as looking at bespoke plans for individual departments because not all programmes can be sold in all countries.

International Office A still have partnerships with Taylors, INTI University, Brickfield, Help University and others, mostly for engineering courses. They also have a link with the University Putra Malaysia (UPM) and have a joint PhD arrangement. For such arrangement, International Office A are seeking universities that offer similar supervision. This is mainly in the area of engineering for about 10-11 students. The joint PhD programme has been going for 3-4 years now.

4.2.3.2 Types of Relationship and the Impact of the Relationships

In terms of relationship, it was understood that International Office A has a good relationship with their partner:

> *"It was probably the vice chancellor who had a very good relationship with the then President Dr Khoo Siew Peng of Taylors College. Taylors, as you would know, is a private company owned by the Loy family and the relationship started from there on."*

In terms of her relationship with students and the impact of such relationship, she stated that:

> *"You recruit good students from all over the world who will then automatically feed into the possibilities of becoming those who would continue to do Masters and possibly continue to do their PhD. Not everyone would want to do their PhD which is hard to recruit, not everyone would stay on to continue with their post-doctoral research and not everyone would continue to be a lecturer and that sort of thins it out even more. So, apart from the majority of people who would get a good education, it is also a way to try and recruit good talent as well."*

She also explained the course selection for students that she usually recruits. Subconsciously, she also identified the relationship between host country in which she is operating at and the home country of her institution:

> *"For Accounting and Law, Malaysia is a former commonwealth country, so it is a natural choice for students to choose to study these courses in the UK as opposed to in Australia or the USA. The Architecture course which will still follow the UK system, they will make amendments to adjust it to Malaysia but if you think that a lot of the country is a former Commonwealth country, it is to an extent impacted on how the professional body regulate themselves in Malaysia. They probably will adjust it so that it will be applicable and not change a lot of it."*

She also added that:

> *"We are seeing a lot more transnational students (students from Nigeria, Iran and Indonesia) apart from Malaysia. Usually, they are doing our programme in Malaysia for a year or so. It is easier for them to get a visa when they are already doing a course in Malaysia as compared to if they apply for a visa from their own home country."*

Meanwhile, relationship with the parent institution is perceived in which International Office A would have to achieve:

> *"A target is set every year and I would have to try to achieve the target. It is different for each market partly because some markets are only for undergraduates, some for postgraduates and some for undergraduates and postgraduates. So you would expect to recruit more from Malaysia and Singapore because it is an undergraduate and postgraduate market. There will also be certain countries that would prefer certain subjects. For example, applicants from Vietnam will always be applying for business courses. So you will not have any interest from them for a degree say in Physics or a Masters in Physics."*

In terms of partner, International Office A informed of the public university partner that they have and how the visit to their partner institution resulted in interest from the faculty member working at the home institution:

> *"We ended going to UKM and it was not until we went all the way there that he saw what was going on and understands now."*

"So from then onwards, he would come down every six months to look at plants and what they do for genomics. Genomics is about putting enzymes in washing powder for instance to make clothes softer, things like that. There are things that you can work on such as how you come up with a new research idea, how you make it internationally disciplinary."

She also identified the networks and relationships that she has fostered:

"I think there are things that I can do in which people from the home campus who would fly into Malaysia to try to recruit students cannot do. For instance, because I have a very close relationship with a lot of the colleges and education agencies, I get to network with them. But it depends on the university, because the university is such a strong brand that, for instance, in October there are a lot of events going on, the agents would call and ask me when I would be available and they would organise events around when I will be there. So, I can negotiate with them."

International Office A then provided an example:

"I may get calls from the agent telling me that they would include my institution to give a presentation at a fair and at the same time not everyone would trust agents; because of my location flexibility, I am able to agree with them."

She stated that this is in contrast with:

"University representatives who would have to fly into Malaysia would not be able to do that in such a short time."

She also added that the advantage in terms of networking could also exist not only with education agencies but also with the ministry:

"We can network a lot more closely with the Ministry and understanding them a lot more. Last week I went to MIGHT (Malaysia Industry Government High Technology) to understand in which direction Malaysia is going."

She stated that this is significant as:

"This helps when departments are asking if there is a market, this is where you get a mismatch, the government is promoting very heavily medical tourism and the other one is general tourism. It is the same with education. Two of those will require highly

skilled individuals. In Malaysia you have TalentCorp, Mybrain and other government initiatives to attract Malaysians to come back. But what they fail to realise is that everyone is becoming more global."

Meanwhile, in terms of her relationship with the home institution:

"Having an office in Kuala Lumpur assists in terms of providing information and helping students to make decisions. For instance, for a law course, you would not know that you would have more options because the Law department is the third largest."

When probed on how International Office A manages the operation in Malaysia, the respondent said that having a good relationship is the key:

"The key thing is to keep sending out the message; you have to keep maintaining your presence. There's only an extent of work that the agents can do and they are also representing six other universities; you must remember to make sure that you are heard, so that comes down to making sure that you have a good relationship with the agents so that if a potential student could go off to a similar university like our institution they know that they can call you immediately."

International Office A provided an example in that:

"The agents will not call representatives from the University of Durham because there is no office in Malaysia. You have to be accessible and it is about your relationship with the agents. I get calls or text messages; I will meet people because I'm plugged into the people here. I get questions about what I do during events such as the Hari Raya or Chinese New Year sometimes I come across people who are sending off their kids and who have heard of the university, so they would ask about the university; whether it is good or not."

International Office A then further emphasised on the importance of having a good knowledge about the higher education market:

"This is when you have to know about your market beyond the university to give them a fair advice because you have to understand that the people you speak to are fairly sophisticated, they are able to afford 300,000 to 400,000 Malaysian Ringgit a year, they are either going to be professionals or in business, so therefore they are going to

be fairly shrewd so if you are going to give them unconvincing answers, that won't sell."

The respondent explained that:

"General knowledge needs to be good as well so I've learnt so much. For instance, I can understand why people would do a degree in Chemistry but I cannot quite understand why people would do a degree in Physics. So the head of the Physics department came over and he has been over in Malaysia twice. By sitting down, listening to him and asking questions about the actual product, you understood what it is that they did and by understanding it you can tell where the jobs are. So for Physics, if you have ever gone for an X-ray or ultrasound or if you ever have a solar window, that's what a physicist would do; to make sure all this actually works. Then you can relate it to people easily and that's where you end up doubling as a careers counsellor."

Meanwhile, with regards to university partners:

"For decisions on university partners, I would recommend to the department and the department can then decide. This is where it gets a bit complicated; say if I have a department like Geography that is to come out here to recruit students. I would know from my own experience that not many people would apply for Geography. I would tell them the truth and then I would offer them a low cost-no budget opportunity to try to do that. What we definitely have in this office is the databases of contacts of certain departments, if not we can always get them through the website. We will also have to look at the nature of the subject as well. There are some that are higher technology courses and therefore you only market it at certain countries."

In terms of the how relationships with partners are fostered:

"Some of them will approach us or I will look for opportunities to say this might be a place, or departments may say, 'we are looking to expand our student numbers'. I will then tell them what to do; whether you are looking at undergraduate or postgraduate and such. As for the education agencies, I will vet them. I will look at who else they are representing. Whether it looks like a proper office, to see if they are really professionals. If they work only with new universities; I would not want to sign up with them because I do not want to be associated with that kind of group as it may

bring the brand down. However, if they have a good mix and if students can see that, I would not mind it so much."

International Office A then described the characteristics when selecting their local partners:

"For university partner selection, I would eventually learn from my own experience whether the students that the partners send to me are good or not. Definitely their standing in the Malaysian market. I will also look at who else they are in business with, if they are in bed with a lot of former polytechnics, I will shy away from that partly because I do not want to be seen as a trophy wife. I know from that market that they are recruiting to go into the former polytechnics that they will not have the experience or will be able to attract students to come in and do our programme. So it will not be viable. Sometimes it gets complicated, for instance KDU. Under KDU, they also have a smart school. We might not want a relationship but we would want to have a relationship with SRI KDU, which is the smart school."

With regard to knowledge transfer between her institution and her university partners, she claimed that:

"This is a bit tricky because if you want to get a license you have to show the Ministry what subjects you are offering for all four years even if you are only offering them for a year. The question is how you deliver it. I do not think you lose a lot in terms of intellectual property. The university probably doesn't have adequate intellectual property protection if you are doing joint research. This is where there is a danger."

International Office A also added that:

"Everything is pre-agreed and it is up to me to monitor it. We have fairly good control because our partners are pretty good. This is where it is important for me to have a good relationship with the partner and people on the ground. If I do not get on with people, it will make it difficult. You have to be able to work with your partner. Because I had been in the business for a long time, none of them had actually become friends as a result of that."

When probing the relationship with academics from their home institution, International Office A stated that it is fairly often:

> *"We have some of academics coming to Malaysia two weeks from now. For Singapore, I know that three members of the university will be there. Once or twice or sometimes three times a year. In March, I had about seven members of staff that came out. I think they come because of the way the university has restructured itself, so more people want to come out to recruit students because now they are in charge of their own budget (for each faculty/department)."*

In terms of relationship with the government and the MQA, she stated that:

> *"If you look at current Ministry requirements, they insist that whatever that you offer for twinning programmes would have to be exactly the same as in the UK. Malaysian MQA will also insist that we would have to include additional subjects as well such as the Moral Studies and Islamic Studies. Therefore, it is not quite exactly the same."*

International Office A also explained that the twinning courses have now been completely phased out:

> *"The twinning courses have now been completely phased out, the last twinning course that we have now is with SEGi and from next year onwards we will not be offering any twinning programme anywhere because the Ministry of Higher Education will not allow us to."*

The respondent informed that:

> *"Many years ago the Ministry was asked to phase it out because all of the local providers are offering their own degrees; a lot of educational institutions have gone from colleges to university colleges to universities. The staffs have not changed. They then offer their own degree but at the same time they would have gained the experience from a twinning programme, which is how they would get the intellectual property. They would just change it and claim it as what they are offering. A lot of these colleges, it is not like public universities in which you can be certain of the country of origin. Taylor's College and other private institutions can be from New Zealand, Australia and the USA."*

With regards to the twinning programmes, International Office A described the situation as follows:

> *"It is a situation which I would call this private institution as facing the trophy wife syndrome. They need us more than we need them. If you are thinking that you have a degree that is from an unknown university but if the unknown university has an association with a more famous university, it is assumed that the unknown university must be good. Therefore a lot of institutions would come up to us to build partnership arrangements and then use our logo to advertise it. It could be a group of universities. This is where our institution is coming in. We are aiming to tidy up how our brand is being used. The phasing out of the twinning programme has not affected our institution because we still have strong numbers of students going to our home university. We also have a strong brand and this is partly because we are among one of the first offices in Malaysia. When I started this job, there were probably only four offices in Malaysia and now there are 15 offices including the Australian University offices.*

4.2.5 Case Study Five (International Office B)

4.2.5.1 Background

For International Office B, the home institution claimed to be the university that will shape the next generation of business-facing universities, which is a good consideration for selection. The university has a large community of more than 2,800 international students from more than 85 countries worldwide and in 2012/13 there were 269 Malaysian students studying at the university. In 1992, the institution was granted university status.

International Office B was founded in 2006. The task performed by International Office B has changed. When the office was founded, the main task was to recruit students and also to increase brand awareness. The role has however changed. International Office B has since strategically decided that franchises and partnerships were the way forward. Therefore, International Office B manages partnerships and is looking for new franchise opportunities. As a result, there is less direct recruitment and more indirect recruitment for now.

International Office B also works with an education agency in Malaysia which is the JMECC. The task of the education agency is to focus on the recruitment while International Office B focuses more on the partnerships. The operation of International Office B therefore touches on twofold: (1) developing partnerships, nurturing partnerships, making sure that the

partnership links to strong as well as some recruitment and (2) if a student walks in here for example and says that he/ she is interested to go to the University of Hertfordshire, counselling services will be provided, but it is not the primary task.

International Office B has a number of partners and these include The One Academy in Subang, HelpCat, INTI franchise and Sri College. International Office B does not work with other institutions outside of Kuala Lumpur. The common type of programmes offered include full business programme: accounting finance, marketing and business administration. For the One Academy they offer Media studies, for HelpCAT. International Office B offers Mechanical Engineering and Electrical Engineering. Meanwhile, For Sri College they offer an education programme and teaching qualifications purely on how to teach for early childhood.

4.2.5.2 Types of Relationship and the Impact of the Relationships

In making a case on relationship with a partner, International Office B informed that they have had previous experience work:

> *"We started to think about going to Malaysia in 1997/ 1998 and had always worked in Malaysia. We entered Malaysia via JM education. The education agency is our sole agent and we had always been exclusive with them. The previous owner of JMECC is now working at our office twice a week."*

In which the impact is that:

> *"The way we benefited from the agency in 1996 for example, JMECC sent 420 Malaysian students just two years before the crash. Last year they send 175 students."*

He then explained that when the international office was first established, the reason was to work hand in hand with the education agency:

> *"I wanted this office to act as a recruitment centre for students not necessarily in competition with JMECC but we invariably council students here do all the work here and then we send them to JMECC; they get the commission."*

Meanwhile, with regard to fostering a good relationship with their university partners, he claimed that:

> *"I look after my partners, I go to their institution to give presentations to potential students or I help them with marketing, so I help them to recruit students.*

Occasionally, I would go to high schools but I'd try to avoid that. Typically, the high school would be middle class Chinese schools."

In explaining the effort made with regards to marketing their services in high school, he stated that his involvement includes managing exhibitions for his partner:

"I attend exhibitions for my partners. For every programme with our partners, we have an appointed link tutor. They come into Malaysia frequently (maybe 3-4 times). We also have board of examiners who would come."

The network of their partners also included:

"INTI is currently owned by the Laurel Group, an American company which has taken over other colleges in South East Asia. So there is a train of thought, which I do not subscribe to, is that we just work solely with Laurel Group."

He viewed the impact of having relationship with different partners that they have:

"So first we started with JMECC, we then developed our partnership with INTI. We didn't have partnership with anyone else after that for a long time. We then started contacting new partners. Then eventually we set up the regional office. Once we've established the office primarily for recruitment but now we've shifted our focus in managing our partners."

He then further added the effort made by his institution in terms of staff development:

"We also do staff development with the partners because the standard and style of teaching is different."

With regard to staff development, he provided an example which justifies the need for International Office B to constantly monitor and develop during the course of their establishment in Malaysia:

"If we leave a Chinese teacher in a college in Malaysia with the student, they would resort to speaking in Chinese to students because the language is something that they are comfortable speaking in. All programmes have to be taught in English however; this is something that we would have to monitor."

In terms of relationship with students, he expressed his dissatisfaction with the culture of students in Malaysia that often plagiarise:

> *"I've taught in Malaysia quite a lot. I give engineering students a project to do but often I found that they plagiarise all the time. They often cannot think critically. So we try to get this across to teachers.*

However, he also emphasised on the quality of Malaysian students:

> *"The quality of Malaysian students is better than the students we recruit as compared to the students we recruit in Hertfordshire. This is as the Malaysian students are paying for their fees as compared to the students in UK."*

In terms of the relationship with the home campus he claimed that it had always been informal:

> *"When I first came over here, I knew a lot of people back at the university home campus. So if I need a favour from them I could ask them easily and immediately; but now that I've been here for six years, people have moved on with their life. Now when I ring the university they do not know much about me anymore. At the home university itself; only about 50 people know about this office; other people have forgotten about it."*

He also added that:

> *"Until this year, the University has not measured the performance of this regional office because performance is intangible. For instance, when I was recruiting, a student may walk into my office. They may not apply for my university this year but they could potentially apply for the following year as a result of the conversation that we had. Recently, the university had provided me with financial targets, for instance 'keep the partners happy equivalent to X amount of money' and run management programmes in this office in which X amount of students will have to be recruited. The university wants classes to be held in this office to justify the cost of having this office in order to ensure that revenues will be collected."*

Meanwhile, with regard to control when making decisions, the respondent stated that he has total control. However:

"We have a board of directors from the local company so if there is anything significant; we would have to go through the board. There are still processes that I would have to go through in terms of terminating a contract or selecting a new partner. For other matters such as flying to Singapore to attending an event, I do not have to go through the university."

The respondent then provided his account on market knowledge:

"We usually have to rely on the partners to conduct market research. The Malaysian partner usually would have more market knowledge compared to the foreigner. We would have to assume that they have conducted their market research because it is a risk for them as well as if they do not get the numbers we will both lose."

In terms of their relationship with the Malaysian Qualification Agency (MQA):

"If anything, the MQA in Malaysia is more pedantic. For instance in Malaysia we would have to inform the MQA how many tests we intend to conduct in the laboratory but in the UK, all that is required is to inform whether or not we have a laboratory."

He also added that:

"The changing preferences of the government do add to the risk factor for our operation as we are always trying to pre-empt what the government will think. It is not that the government is unstable it is just uncertain. What we are doing now is risk-adverse, i.e. with little risk."

When questioned if it were difficult for International Office B to adjust to local private higher institutions, the respondent stated that:

"If you look at how many times the Malaysian education system has changed with regulations, for instance, MQA has replaced LAN and other changes are happening almost every week so it is difficult to keep up with the changes. Recently, the Ministry of Higher Education announced that they will require each university to have 25 per cent PhD holders as their teaching staff. This is quite impossible; the government is drafting a regulation which seems to be quite unrealistic. Therefore a lot of universities are asking their staff to enrol into PhD programmes. As the staff are working at the same, this might take five years for them to complete their PhD.

Therefore, the government will only be able to achieve the outcome of the legislation in five years."

4.2.6 Case Study Six (International Office C)

4.2.6.1 Background

For International Office C, the home campus was awarded with University of the Year in 2009 in which case the university became the first modern university to win the Times Higher award. The university also achieved their university status in 1992, and was a former polytechnic. The international office in Malaysia is one of the later entrants and entered the Malaysia higher education market in 2007. There are six in total and their job scope is very broad. In terms of the size of the office, it is one of the bigger regional offices in Malaysia.

International Office C sent out weekly reports to their home institution. The Director of their university will visit approximately two to three times a year. The office in Malaysia controls the home university's activities in all ten ASEAN countries: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

International Office C performs two tasks: a) direct recruitment for UK-bound admission and b) academic partnerships and collaboration, establishing a relationship within the south east Asian region. It is an outpost office for the university. The regional office also acts as the voice of the universities; they will conduct monitoring tasks. Apart from having an international office in Malaysia, the university has another office which is located in Bangkok. The Bangkok office will report to the office in Malaysia.

There is a mixed bag of academic affiliations and partnerships both with the public and private institutions. For the public university, their only partner is UITM and as for private institutions, their partners include Segi College and Mahsa College for the Klang Valley/Selangor region; Southern College, Johor (a not-for-profit setup), Hang Chiang in Penang and Shahputra college in Pahang.

The types of programmes offered include collaboration/full franchise (3+0); articulation programmes in which students are allowed to apply to complete their studies for a year or two at the home campus (2+1 or 1+2) and MAHSA for collaborative (2+0); The institution design the course for MAHSA. For all courses offered in Malaysia, given that MQA has strict requirements, most of the courses have to mirror the courses offered in their home campus and cannot differ.

4.2.6.2 Types of Relationship and the Impact of the Relationships

The first type of relationship is with their university partner:

> *"Before the establishment of the regional office, our health school has always had a close relationship with UITM (which existed approximately six to seven years ago). We then embarked on collaboration with SEGi College."*

In terms of their relationship with faculty members, he informed that:

> *"We have faculty members that have in-depth knowledge in terms of internationalising or operating in a foreign education landscape and most importantly they have had experience of working in Malaysia. These staff acquired their knowledge or experience when they were working for another university. They were the ones who brought along the international expansion strategy."*

In terms of the relationship with their home government, they stated that:

> *"For now the important focus is on the objectives we want to achieve; for us and for now the vision of our home institution is something that is important, so for five years or so this vision will affect the regional office. When speaking about the current condition, immigration has a huge impact on our operation. The dynamic change that started in the UK is affecting the recruitment process in Malaysia."*

The respondent then provided an example:

> *"Last year or the year before, during the reign of the labour government, our recruitment process was good, for us at least visa processing was easy too. But at the end of last year with the Conservative party taking over, there were a lot of changes. They tweaked the visa procedures and the immigration is now starting to pick on things such as English language proficiency."*

The respondent then further added his disappointment with regards to the freedom of selecting the type of students that they would want to recruit:

> *"It used to be that universities have total freedom on the type of students that we would want to recruit, but now, although it is not official but because of the reduced number of allowed immigration of students allowed from a specified country, this does impact us. Our marketing activities had to be adjusted accordingly."*

In terms of the relationship with their competitors, he claimed that:

> *"Compared to other UK universities, we are relatively new. Other universities have established their presence longer than we did; for instance University of Sunderland. Comparatively this is a disadvantage as they would have built a stronger networking system and their publicity is very strong."*

As for the internal relationship:

> *"We have an operations manager in the office of Malaysia who is in charge of managing the legality and junior staff who process applications from partner universities. All the staff report to me and I report back to the university on a weekly basis. We have senior faculty members coming to visit us on a yearly basis."*

Meanwhile, with regard to their role as a regional office and their relationship with home institution:

> *"We will process applications in the regional office in which we then accept students to be admitted for franchise courses. However, the model differs according to different departments. For instance, the health school is in charge of their own admission process as there are a lot more staff at the health school compared to other schools/departments."*

He also added that:

> *"Pretty much the power is already delegated to me. If I think I have a solid business case, I would then take it to the board. It will then depend on the faculty whether to accept it or not. But in most cases, if I decide on doing something, then we probably do it. Unless if the faculties have some serious objections, but the chancellor is quite keen on internationalising, so shouldn't be a problem."*

The respondent then explained that this because their institution has a monitoring process in place in the form of faculty visits:

> *"For our university the faculty members will typically come and visit once a year for quality assurance and to make sure that everything is running smoothly."*

Further information on the faculty visit includes:

> *"For each local partner, we have agreed to elect two parties: a) first, the local lecturer (lecturer from the partner university) and b) second, the faculty lecturers (from our home campus) who will be in contact with one another to discuss the programmes, etc. We consider all students the same way we would consider full-time students based at their institution regardless of whether they are on the e-learning or franchised courses or not."*

In terms of relationship with prospective partners:

> *"Usually we do not approach our partners; but on the other hand a lot of partners will approach us. In which case, we usually have an idea on who is good and who is bad. We look at what growth will be like in the years ahead."*

The respondent was then asked to describe the characteristics of their partner. He informed that reputation is an important characteristic:

> *"Of course we look at the partner's reputation, we would conduct our due diligence check and sometimes we would refer to the British Council to assist us."*

The respondent stated that for International Office C, a policy is part of collaboration strategy:

> *"We have a policy: for instance if we are offering the Bachelor of Business course in Kuala Lumpur with a partner; we will not offer the same course with another partner within the Klang Valley. We probably would offer the same course but with our partner in Kuantan (Shahputra) and maybe with our partner in Johor (Southern College)."*

When explaining the changes in terms of their partnership with local institutions:

> *"We started the partnership with a public institution, then we expanded to private institutions, we now have a regional office in Malaysia and we are looking to expand both within Malaysia and within the South East Asian region. I think the changes can come in the form of our commitment level and exposure, not only in Malaysia but hopefully within the South East Asian region."*

He then explained that:

> *"We are very particular about meeting our home institution's recruitment target; we have a reputation to uphold. Our partner was angry when we had to constantly reject students because they didn't meet the criteria. As a result, they approached institutions which are more flexible and have lower admission criteria. Therefore, we were side-lined or ignored. The new institution had 100 students enrolled into our partner's programme, when only five students were recruited to join us. However, these 100 students would have never been accepted to join our university. Meanwhile, our partner didn't take our complaint seriously and thought that we were just threatening them. But eventually, we ended the agreement."*

With regard to their relationship with the government:

> *"In Malaysia, I am not too concerned because the education framework is very well established. I really advocate for the MQA framework. But if we talk about other countries such as Vietnam or the Philippines you will be dealing with issues such as: (1) you will never know the partner you are working with, (2) not knowing whether they are a legal entity or not and (3) our only chance to find out information is to go through the British Council."*

Meanwhile, when comparing the differences between operating in Malaysia and operating in the UK, the respondent notified that this is due to the course provision or curriculum. He explained:

> *"What I learn is that the MQA requirement for the mirror courses is that the UK system will teach you fewer subjects but in-depth; but it is not the same in Malaysia. If you do the conversion to the MQA system or style; for instance courses like business management will never translate into enough credit values for the MQA system."*

As for the difficulties with partner:

> *"We can agree that our partner is good and such but we are often left with doubt about who should we trust to recruit for us. In the case when partners cannot recruit students, we would normally charge them but what happens when the partners cannot pay for the fees themselves? If we try to send lawyers letters etc., it is possible for the partners to say that 'I am sorry but you are operating in a different country'. This is*

why we would spend time and money to check on validation work, due diligence and so on."

As for the teaching staff, the respondent clarified that:

"Before the quality of approval takes place, one very important part is the resources, i.e. teaching staff. The CVs will be sent to our senior management and faculty members to look at; any changes in academic staff will be reported back to the home institution."

When talking about strategies in managing risks or difficulties, the respondent clarified that:

"We will conduct checks before and ongoing; however as we are stationed in Malaysia, we do not record our visit but do it fairly regularly. We conduct inspection by looking at the facilities, financial background, resources, owner, how many students they have, not so pleasing news about them, all academic background, student handbook, mitigating circumstances as well as reputation. Our home institution wants everything to be transparent because we want everything to adapt/mirror our home campus."

5.2.7 Case Study Seven (International Joint Venture A)

5.2.7.1 Background

The university was founded in 1986 and is owned by a public-listed company. The founder is also the current Vice Chancellor. Under the same group, there is an academy as well as a college of Arts and Technology that focuses on vocational training in Sungai Besi to cater for those who are not academically inclined. They have some academic programme but are moving into vocational and technical programmes such as engineering, dancing, culinary and hairdressing.

The twinning programmes are run at the academy with partners such as the University of East London and University of London. At the moment the institutions are running four University of East London programmes and this arrangement had only been formed fairly recently, about three to four years ago. The institution also offers a joint degree with Flinders University. The programme was jointly developed and jointly delivered whereby the students will study for two years in Malaysia and two years in Australia. This allows students to go to the institution to study and for the students from Flinders University to come to Malaysia.

Currently International Joint Venture A is running its own programme and had been doing so for seven years since awarded the University College status. Their own Diploma courses had been offered for as long as they had been established, 26 years. However, their degree programmes and doctoral level programme had only been offered for seven years.

5.2.7.2 Types of Relationship and the Impact of the Relationships

In terms of personal network, the respondent stated that:

> *"The founder was a lecturer at University of Malaya in 1986 and he was from the faculty of administration and economics. He knew the difficulties that students faced to actually have access to higher education. This as at that time there were only four public universities in Malaysia."*

She then added that:

> *"Good students were not given any opportunities to go and study anywhere. Prior to that the founder used to run a tuition centre to help people out and they would do this part time. It came to the point where the founder and a few of his friends could not run it voluntarily anymore because no one was paying the cost for the tuition."*

As a consequence, she found that:

> *"They then speak to the University of London external degree administration to bring in the Diploma in Economics. It was an external programme but the exams were set in London. So they would teach the programme and then the students would sit for the exams."*

In relation to partners:

> *"Partners are very promiscuous; partners usually do not stay with you all the time so they kind of partner-hop."*

She also further explained that:

> *"There are two ways in which partnership starts in this country, one is you approach somebody or it is like dating or in a relationship where they would approach you and tell you that they would want to offer their programme in Malaysia. If you approach them it is because you know somebody or people would approach me, for instance I met someone from the University of Glasgow and I met them this year in London and*

they said they would want to have a collaboration with me. We know each other and we started communicating and that is how relationships are started. We did a study last year, the ministry gave us some money to conduct this study on the best practices in between partners, and we found that most institutions would say that they know of somebody from an institution or they did their PhD in an institution or they came to see me."

Meanwhile, in terms of the characteristics of partners, the respondent stated that there is no such requirement:

"It was never the case that the institution specified the kind of partner that they would want. I do not think that anyone had that in mind; I think it was really the case that it happened."

When describing on the relationship with the government, the respondent expressed her concern regarding the self-accreditation status:

"In Malaysia, only four public universities and four foreign branch campuses had been awarded the self-accreditation. A lot of this has to do with tradition as naturally these branch campuses have the self-accreditation power in their home countries; therefore it will be ridiculous for us to stop them from being self-accredited. At the same time, if we do not award the public institution with the self-accreditation power, it will also look ridiculous since we gave the foreign branch campuses the self-accreditation power. Secondly, the foreign branch campuses come from a mature self-accreditation system whereas the Malaysian public university was only awarded the accreditation process in 2004. In comparison the private higher education institution had been accredited since 1996."

The respondent then provided her account on the future of public universities in Malaysia:

"I believe that in ten years' time, it will not be the public universities that will be the best universities in Malaysia. Today you would find that most of the students do not attend public universities. The cream of Malaysia would go to private higher education institutions."

She then further elaborated on the need for private universities to be awarded with self-accreditation by making a comparison with public universities:

> *"Personally I think the private universities should be awarded with self-accreditation. However, if you compare us with any public universities, while the PHEIs do not conduct as much research as the public universities do, as far as the quality is concerned, private sectors have more quality measures."*

The respondent made a remark on the government policies:

> *"The reality is that the government policies are not helping to make things better. At the moment,* the *public sector is actually subsidised by the government in which the public universities will only have to put up 20 per cent. At the moment the private sector had been pushed to the corner because it is a question of survival. For private universities like us we are OK because we do not need to work very hard to recruit the minimum number of students. However, for small colleges sometimes they have a struggle to get students and sometimes they only have about 200-300 students. Sometimes this is not even enough for them to cover the cost of running the institution."*

She then questioned:

> *"Do you recruit students first or employ faculty members first? MQA mentioned that institutions would have to recruit students first and only then the institution will be able to run the programme."*

She explained on the implication that this might have:

> *"When you employ the faculty members first, how do you pay for them if you do not have any students? If the government opens up the regulation in the country to allow fair play for everyone you will see the bad public universities will disappear, you will see the private universities surviving and you will then be able to see the quality of private universities. I think the system should be fair between the public and private sectors."*

In terms of relationship with students International Joint Venture A:

> *"Every semester at our institution we conduct students' satisfaction surveys, every semester we conduct lecturers' evaluation because students pay for them. We also*

conduct a climate-oriented survey. Yesterday we had a session on how to improve our institution. We presented the data from the students' experience survey that we had last year and we presented the data to the departments and informed them that this is where you are now and this is where I want your department to be at: higher in that sense. So whether you like it or not we are very much customer oriented."

Meanwhile, in terms of relationship with competitors:

"I think the question is not whether it is congested or not whether the market is already congested or not, but the question should be whether it is good or bad. I have thoughts on this: to an extent it is good because it makes us reflect especially for us in the private sector, we look at what we are doing, see whether we can remain in competition with the foreign branch campuses, increase our quality and provide better value for money."

The respondent highlighted the impact that this will have on the private higher education institutions sector:

"So in that sense it is good because it makes the private sector think again. It is bad because the foreign branch campuses will remove the Malaysian identity from higher education and that is not good. I think Malaysians will always have a tendency to go for colonial or Western programmes. Our market is not only based on the Malaysian market, in years to come I think most probably the majority of students will be from foreign countries."

The respondent also highlighted the changes faced by the institution as a consequence of the changing higher education environment in Malaysia:

"At the moment another change that we have faced is in terms of the phasing out of twinning programmes, in which we are now running 49 of our home grown programmes. I think because the institution has been running our partners' programmes for almost 20 years, from this we have learnt something which should give us sufficient confidence to run our own programme."

The respondent further explained that:

"About seven years ago the institution was granted the status to be a University College and one of the conditions was to get rid of our partners and to run our own

courses. The institution is a law abiding institution which is quite sad because both Taylors and Sunway are still running their twinning programmes."

She then provided her recent account of a relationship with a former university partner:

"Most recently we had a university from Australia that pulled out of their arrangement with us because there was a change of their Vice Chancellor".

The respondent then added that:

"They decided that they did not want to concentrate on Malaysia, instead they wanted to concentrate on China. At that time our prior agreement was to be renewed because each agreement was to last for five years."

She expressed her frustration by stating that:

"No matter how it is, partnerships are always about money. So we spent a lot of time building the brand, nobody knows about the university. So after some time everyone would associate the university with us but imagine after five years, the university then leaves. That will leave us having to respond to our students on why the university left. We actually had major issues with the university and we told the university that they cannot just leave when there are still 18 students studying for the programme, because that is the partner's responsibility to the students."

She also said that that:

"Partnerships always go awry when the Vice Chancellor changes. This is particularly so in the UK. This does not happen with universities in Malaysia because in Malaysia we work differently. When we sign an agreement the whole university will be tied down to the agreement. As for UK universities, it is usually in between the two faculties and departments. In Sheffield's case, it was with Sheffield's management school and Sunway but not the University of Sheffield as a whole."

In terms of relationship with their students:

"I think the quality of students that go to Sunway is not as good as the quality of students that attend our institution. The campus environment is there at Taylors. Competition-wise it will depend on how you would define quality. If you are talking about quality of teaching and learning for an undergraduate, Help is the best. We

have proof that students who have studied at Taylors for their A levels would move to our university. For instance, in our business school half of the students did their A levels at Taylors."

International Joint Venture A also added that:

"As a whole we look at mobility of our student, employability of our students, and recognition of our own home grown programmes."

Meanwhile, she found that the measurement for partnerships to be a bit challenging:

"Not only do we look at the mobility of our students and the recognition of our students but we also look at the relationship with our partners. Sometimes it may be well recognised but if the relationship is not good at all and they do not trust us and we do not trust them, in such a case I do not think that it is a successful partnership. We are always on our toes and the arrangement would usually die off."

5.2.8 Case Study Eight (International Joint Venture B)

5.2.8.1 Background

The Institution has existed since 1992, but at that time the institution was a college which also has a campus in Petaling Jaya. The college was founded in 1986 with the first group of students enrolled in 1987. The college was granted its University College status in 2004 and at the end of 2010 the institution was then invited to register as a university. There are two institutions that are operating within this campus ground, the university and the college. The campus that is currently under construction will be the university's purpose-built campus.

The university is owned by a foundation. Under the same education group, there are four institutions: the university, the college, a foreign branch campus and two colleges which are located at Johor Bahru and Ipoh. The college in Johor Bahru was set up 10 years ago and the campus in Ipoh was established later on. All the four institutions are owned by the foundation and all the institutions are non-profit. The education group is a profit-making corporation so they are a very business-oriented culture and this differs from our university. The organisation benefits because the university attracts thousands of students. As the students are studying at our university, they would shop or spend money at the shopping centre and around Bandar Sunway. The same organisation also owns some of the apartments

around the area, and some parents would buy an apartment for their children because the children study at our institution.

At the institution, for each course they would only offer programmes from one partner. Sometime there could be more than one partner because each university's programme is run separately and there are no common subjects across our foreign partners' programme and therefore it will not be cost effective. This institution is different from the institution back in the early days; now the institution runs its own programme and the institution sets its own tests. The college still offers one twinning programme with the Victoria University in Australia. Meanwhile, the university has a validation partner which is Lancaster University and this relationship has been going for five years.

The college has a role to play, because they can offer courses in a more cost effective way. It is cheaper to run a college than it is to run a university. A university has to have senior academics and senior faculty members. Professors can be expensive. A university also has to have academic governance, so we would need to have a much more elaborate quality assurance system compared to colleges, because they can rely on the academic partners. Even taking this into account, it is still cheaper to run a college than a university. Staff also have to spend time doing research and to develop their curriculum. The university has about 3,200 students; the college has 7,500 students.

5.2.8.2 Types of Relationship and Impacts of Relationships

In terms of the relationship with teaching faculties:

> *"This could be due to the fact that there could be teaching faculties that are not as good and also the quality of teaching experience to get their degree. Some of the foreign branch campuses that the government had invited became our competitors. For instance, we do compete with the foreign branch campus owned by the same education for some courses such as business. However, we have more specialised degrees and we are following British education but it does not harm us."*

Meanwhile, in understanding the relationship with their university partners, he added that:

> *"In terms of the dual award programme with Lancaster University, we design the curriculum and Lancaster will provide feedback and help us to improvise it. Therefore it is a validation."*

In terms of choosing the local private higher institution partner, the respondent stated that:

"However, with Lancaster University, they were looking to internationalise more. We were introduced by the British Council to them and we had discussions with Lancaster for about two to three years; the first discussion started in 2004. The agreement was signed in 2006. Lancaster had taken a long-term view on us and they expected that our university would keep on developing and growing."

The respondent also added

"When it was founded 25 years ago, the programmes that were offered were twinning programmes. The first twinning programme was with an American institution, the Western Michigan University, and then there was a twinning arrangement with Monash University, but it was not until a few years later. There is also a twinning programme with UK universities including University of Bristol. We have had quite a number of twinning programme ever since then. Now, the university does not offer twinning programmes because we run our own programme, but we do have a validation agreement with Lancaster University. This will be for a number of discipline areas."

The respondent also explained that:

"The University never offer twinning courses, but the University College did. So when the institution went from being a University College to becoming a University, the twinning courses were then transferred to the college. The college still offers one twinning programme with the Victoria University in Australia for a business studies programme."

In terms of relationship with the MQA:

"Among the barriers will be in terms of introducing new programmes and in order for the programme to get accredited. The accreditation is only meant to take six months but it can go for as long as a year. This is a problem because it makes it more expensive for us given that we have invested in the development of the curriculum but we would have to wait until we could recruit students. Therefore, we would have to wait until we could generate income and that adds significantly to the cost. I think the MQA needs to be more efficient when approving programmes."

In relation to the academic staffs, he stated that:

"In terms of academic staff in Malaysia, there is a competition for staff so we have been advertising overseas. At the moment we have 10 per cent international academic staff. I think the academic environment in Malaysia is growing rapidly and it is becoming more attractive for academia to work here."

In terms of relationship with partner and quality assurance, he claimed that:

"The curriculum and the quality assurance were provided by the overseas partner. The college provided the facilities and the teaching; the college will employ teaching staff that are capable of understanding the curriculum provided, but the foreign institutions will set the exams and assess the students in addition to providing the curriculum."

As for the teaching staff, the respondent highlighted the benefit of having a partnership with Lancaster University:

"As Lancaster had always had a long term view on our arrangement with them, they have been very supportive in developing our institution; they are running academic professional development programmes at our institution. They are giving out certificates for academic practise; they send staff from the UK to Sunway to run academic training for our staff. They have also set up the staff's academic development funds which will allow us to send our staff to Lancaster. Every year we would send 15 staff members and they would go through a week of intensive workshops. Staff can also study for their PhD at Lancaster at a discounted price."

He also added:

"We do not ask our staff to work as many contracted hours per week as other private institutions. We encourage our staff to conduct research and not just to focus on teaching. The other way is that our academic requirements are higher in the sense that students will have to get better grades in order to enter our institution. We also monitor closely our graduate outcome. In terms of managing our quality, we follow the standard requirement approved by the MQA."

Furthermore, the respondent explained that:

> *"We have the development programme with Lancaster so we are continuously aiming to develop the quality of our staff and the teaching ability of our staff. We have annual reviews on the planning process to see where the university is heading. We have a lot of goals in terms of developing the university."*

With respect to student, the respondent stated that:

> *"If there is a specific complaint on a lecturer, there is a process where we would try to remedy it. If it is a valid complaint we would try to counsel the lecturer and we would try to address the situation. We do actively request feedback from students."*

4.2.9 Case Study Nine (International Joint Venture C)

4.2.9.1 Background

This college was initiated in 1993 mainly by the government. Therefore, it is a government-initiated institution but has been privatised. At that time, the government wanted to establish a professional development institution for the IT industry. The institution was never owned by the government, but the blueprint or the concept was initiated by the government. The government wanted this institution to be privatised and therefore they invited the private sector to get involved.

The institution operated as a fully owned subsidiary of a government linked private equity investment firm for 15 years until last year when the majority ownership was acquired by another company. For the first 10 years they operated as a college offering diplomas and higher diplomas as well as degrees of their partner, Staffordshire University. After 10 years the institution was then upgraded to university level by the University.

The Vice Chancellor reports to the academic board and through the senate implements academic policies. The company board is supposed to look after the commercial health of the organisation and should not interfere in academic matters. The organisation that owns the institution does not look at it as a means of getting dividends but in terms of value appreciation. The institution operated differently from any other institutions as they are only focused on education; others could be owned by construction companies or developers which also own a vast array of businesses. The institution look at long-term profit and it is not a short-term investment as it is a serious business which deals with people's lives.

When the institution was first established, they were very much focused on Information Technology so they were offering the Diploma in IT and three Higher Diplomas. The Higher Diploma is a step after Diploma and also in IT-related subjects but very specialised. The institution was among the early movers during the beginning of the wave when the former Malaysian Prime Minister, Tun Mahathir Mohammad, introduced the Vision 2020 and the Multimedia Super Corridor (MSC).

Although initially the institution was only offering Diplomas and Higher Diplomas, from day one, they already brought in their university partner, Staffordshire University, to conduct quality assurance for benchmarking purposes. As Staffordshire University used to be a polytechnic, the programmes that the institution offers are vocationally inclined. This means that the programmes are dissimilar to traditional universities such as Oxford or Cambridge where the focus is on theoretical aspects or development of knowledge. The focus is there but focusing more on the applied aspect, so anything that a student learns he or she must be able to apply it. The mission of the institution is to create people who can take the knowledge that they have obtained and apply it in industry.

4.2.9.2 Types of Relationship and Impacts of Relationships

With respect to the relationship with government and its impact, the respondent stated that:

> *"We established the institution because there was an established need and the government themselves recognised the shortage of calibre in terms of graduates being produced from local institutions going to industry. Industry also agreed that there were not enough graduates of the right calibre. Therefore, we first established our operation based on the focus in producing employable graduates."*

With regards to students:

> *The first ten years when we established we never looked at international students. The student population was almost 100% local even when we had already established partnerships with other institutions."*

He also stressed that:

> *"We have strong links with our students which enable us to conduct a process to trace the employability of our students. Our employability rate has been close to 100%. For the last five to six years, by the time our students graduate at least 98% found a job and the employment rate among our graduates are among the highest in the country."*

In terms of the relationship with the MQA, the respondent claims that:

> *"The private higher education industry is a very highly regulated industry so in Malaysia, in order to run a programme, we have to get approval. We cannot even launch a programme or advertise if we do not get approval from the Ministry of Higher Education in Malaysia. In order to do so, we have to submit our documents to the MQA. They will then go through a panel which typically consists of representatives from the public universities."*

He stated that the panel will then review the documentation and after some time you may get some response. The timescale for the response can vary; sometimes you will get a response in three months, sometimes in six months and it can take up to a year. He then further described the process:

> *"We will get the response and attached to it are the panel's comments and the comments are usually the account of their own experiences within their own universities. So we have to go through a lot of reiteration. After that, MQA will then recommend for approval. They cannot approve so they will then inform the Ministry and the Ministry will then issue the licence to run the programme. Only then will we be allowed to advertise for the programme. The time to market for a programme can take between six months and two years and by the time we get the approval for the programme; sometimes we no longer have any interest to run the programme."*

In addition, the institution would then need to get the programme recognised, for which they would have to take the programme to be accredited by MQA. The respondent explained that:

> *"The accreditation process can take place towards the end of the programme's life cycle, the first cohort when they are about to graduate we can submit for accreditation. Based on that, the MQA will then issue the accreditation which means that the programme is now recognised."*

The impact of the accreditation is as observed as the following:

> *"Once the programme has been recognised, students can apply for loans; we can recruit international students to the programme and also get mutual recognition from other universities."*

On the other hand, the respondent claimed that:

"We can also apply for provisional accreditation which will allow students to apply for loans in order to study for the programme. The provisional accreditation will only last as long as the first cohort. If we do not apply for accreditation by then, the provisional accreditation will then be cancelled."

He expressed his dissatisfaction when he stated that:

"This is the challenge because public universities do not have to go through the same process; they have internal processes to approve programmes that they want to run. However, the recent MQA Act 2007 introduces self-accreditation for four public universities and four of the international branch campuses. The MQA had no choice but to allow these universities to do so considering the pressure from the parent institution."

He explained further:

"This is something that I find very strange because what the government should be doing is to liberalise. Once the government had given the licence for the PHEIS to run as a university, that in itself is a recognition that an institution is at a certain level and therefore, the university should be given the autonomy to decide which programmes should be suitable and not subject them to strict regulations. In fact, the higher education sector is identified as one of the sectors that will be fully liberalised in 2015."

The respondent then provided the definition of fully liberalised as:

"Fully liberalised means that the government will have to open up and cannot enforce restrictions. For example, equity restrictions, up to a few years ago, foreign universities could not establish their operation in Malaysia and own more than 30%. However, the government has opened up and as a result a lot of foreign universities are entering Malaysia."

He also added that:

"These universities view Malaysia as fertile ground. Therefore a lot of players are coming into Malaysia. We used to only have five foreign branch campuses as of two years ago but as we are aware of the situation, there are 20 licences that have been

issued. This is becoming our concern because when the government is giving out licences to these universities, naturally because of the prioritisation, the government cannot set a lot of restrictions; the government has to give them equal status. In fact, what they have been given is more than equal status, facilitation in terms of land, building, self-accreditation status."

The respondent then expressed his concern regarding the liberalisation:

"As local players, we had been questioning ourselves if this liberalisation what will it then mean to us? To us, we are no longer on an equal level playing field. Actually, if the government is to liberalise the market, the government has to liberalise the local universities. Liberalisation does not equate to deregulation; what the PHEIs would want is for the government not to micromanage."

He then stated that:

"The rest of the players at the moment are feeling at a disadvantage. We feel that this is a strange liberalised environment here, the government is liberalising foreign universities to enter Malaysia but in the spirit of liberalisation, the government is not liberalising the local providers which could enable the local providers to compete."

He also informed that:

"Since we are running UK degrees in Malaysia, it is only natural that we brought along our partner, Staffordshire University, to these countries. If we did not establish our operation in the three countries, Staffordshire University would not have done so either and they would confirm on this matter. Therefore, we operate abroad based on a tripartite relationship – our institution, Staffordshire University and our local partner. We run the degrees there and we quality assure the degrees in Malaysia."

When describing the method by which International Joint Venture C found their partners, the respondent referred to the method used when they develop relationships with education agency. He informed that:

"There are many channels; we have established a very strong agency network – a network which consists of 300-400 agents that represent us. We choose agents very carefully, usually high quality agents; we participate in international agents' forums.

We are trying to reduce our dependency on agents and we are trying to recruit more directly now."

When choosing their local partner, the respondent said that:

"Our Chief Executive Officer (CEO) established the relationship with Staffordshire University 10 years before the institution was founded in his previous institution, ICL. That relationship actually existed in the mid-80s. This is actually a long-lasting relationship which has endured for more than 30 years. In Malaysia, it is actually the longest lasting relationship between a UK organisation and a Malaysian institution."

He expressed his concern regarding the relationship with Bumiputera students:

"As a PHEI, we are struggling to recruit Bumiputera students even when we would like to recruit them. We had been encouraging Bumiputera students to join us because we would like to have greater involvement in developing them. We have made efforts to recruit the Bumiputera students by attending events held by FELDA and MARA but the students usually would prefer to enter public universities. We believe that the government should channel students into private institutions. The government are heavily subsidising the students that enter public universities."

He further added:

"The PHEIs are often questioning the government on their reason to spend more money on funding students and building more public universities when there are private institutions that are willing to work with the government in developing the higher education sector in Malaysia. We have PHEIs that over the years have invested billions of Malaysian Ringgit in infrastructure with a view that we will be equal partners in the marketplace but that has not materialised as the government has continued to pump in money to invest and extend the capacity in the public sector while producing graduates that are not that ready for the industry. Now we also have the additional competing grouping, i.e. the foreign branches that had been invited and had been given the red carpet. Probably one of the incentives that have been offered to them is in terms of scholarship students that will be provided to them."

In summary, he stated that:

> *"Therefore the foreign branch campuses are entering a ready-made international market that has been created by the local private higher education institutions."*

He also mentioned the importance of relationship with partner:

> *"To us the key to a successful venture is partnership. We cannot go abroad and operate on our own. We had to establish a relationship with a local partner because what we had to do was to empower the local people to run the institution. Even in Sri Lanka and India, we trained the staff, we provided the IP, processes, resources, training and monitoring but at the same time, we made sure that it was run by locals. In Pakistan the difficulty was in terms of finding the partner with the right calibre who has the right approach to things."*

He then mentioned:

> *"In a way, it is about getting the partner to think along the same lines. The faculty members from Staffordshire University will come to Malaysia four times a year for the purpose of monitoring. The exam boards are held four times a year and therefore at four points in a year a huge team of examiners will come to Malaysia. The examiners are not only from Staffordshire University but also from other universities in the UK."*

He also explained on the mechanism of QAA:

> *"This is coherent with the QAA mechanism in which QAA requires the presence of external examiners for any universities that would want to award UK qualifications; the institution must get peer reviews from other universities. For our operation abroad, we would visit the institution 3-4 times a year. The UK examiners will only visit Malaysia and not our overseas operations and the examination scripts for our overseas operation will be looked at during the faculty member visit to Malaysia."*

He provided the reason as:

> *"This is because it is only proper that they benchmark Sri Lanka, India with Malaysia. This is in order to find out the differences and how to improve our operation. In terms of Sri Lanka, the academic standard is better and the performances of the students are better. Therefore this allows us to find out the*

weaknesses and develop strategies in order to improve the performance of the students in Malaysia."

4.2.10 Case Study Ten (International Joint Venture D)

4.2.10.1 Background

The University is ranked in the top one percent of universities in the world and is listed at 145th in the Times Higher Education international table. The growing reputation of the University is reflected by high rankings year on year in each of the UK's major university league tables: *The Times/Sunday Times* (12th), *The Guardian* (11th), *The Complete University Guide* (11th) and the *THE Student Experience Survey* (10th).

The University had been internationalising gradually for a number of years and that has been referred to in some of the degree schemes they introduced many years ago such as the North American degree scheme. However, the key step change occurred with the production of the 2009-2015 strategic plans which put internationalisation as a clear objective and there were six component parts of that. The discussions leading up to that plan really were the springboard for everything they have done since. Since then, the institution set objectives on the percentage of international students that it would like to recruit, the number of international teaching partnerships, the number of international research partnerships, internationalisation of the student experience and targets around the number of PhD students as well as staff composition.

The first international activity was the partnership in Malaysia. The institution started with a few courses such as Psychology, Computer Science or Information Technology then included business studies and business management degrees. After that, the institution also introduced the MSc in Management and the MSc in Management Law.

The strategy that the institution formulated pre-2009 also encompassed the intention to create a significance presence in the BRIC countries: Brazil, Russia, India and China, and then a significant presence in two or three other geo-politically important parts of the world. In Brazil, the institution is formulating a research partnership with University of Sao Paulo; in Russia there is a research partnership in the process of being formed with the Higher School of Economics in Moscow; in India there is a teaching partnership with GD Goenka World Institute and there are about 550 students enrolled in that programme. The institution is focusing on geo-politically important places such as Pakistan which consists of a big

Muslim population, has an English-style education system and is very tied to UK manual experts but also strategically quite important in terms of location.

In terms of regional offices, the University has a recruitment office in Nigeria. In terms of twinning and articulation agreements, this involved many universities around the world located in China, Taiwan, Singapore, Russia, Europe, Portugal, Germany, France, Spain, Italy and elsewhere. In terms of slightly more developed partnerships, there are international teaching partnerships in place and these are classified under Tier 1 or Tier 2. Tier 1 is where there are multiple programmes across several faculties; they are often undergraduate and postgraduate programmes. Meanwhile, a Tier 2 partnership tends to be single programme where the link is either with a department or it is a single programme where they would send faculties out to teach on it.

There are two examples with regards to the second relationship: in Kazakhstan where the University teaches an MSc in Mobile Systems with Kazakh British Technical University; and in Jordan where they teach a Global MBA with Princess Sumaya University for Technology. The University also delivers similar kinds of arrangements in delivering a Global MBA in both Singapore and Zambia. There are currently three validation partnerships in India, Pakistan and Malaysia.

Programmes offered vary. In Malaysia, the bulk of students, almost 700, in our programme –amongst whom the majority are doing Accounting and Finance – some of them are studying Business and Management; about 100 or so are doing Psychology; there are probably up to 120 doing Computing; and 40 studying Design and Communications. So the majority of students are doing Business and Management and the focus is entirely on undergraduate degrees. In Pakistan, the institution is focusing mainly on Engineering and Computing with a little bit on Business and Management. This is because different countries are at different stages of development and in need of different skills, so in Pakistan they need the technical skills and in Malaysia financial/business and management are a lot more sought after.

4.2.10.2 Types of Relationship Impacts of Relationships

One of the types of relationship observed was due to the past relationships of the former employee:

> *"People who preceded me went out to different parts of the world and started to make enquiries at universities such as the University of Malaya and all the big public universities."*

He also added that relationship with their partner was fostered due to coincidence:

"Then we switched our strategy to look at the private sector in Malaysia, it was a coincidence that the Vice Chancellor and the Director of the International Office went to visit Sunway University at the point when the university was still a college and was looking for a Western partner. So we were looking for a Malaysian partner and they were looking for a Western partner. We started the conversation in 2006; in 2007 we launched the programme and signed our first contract with Sunway. We have just signed a new contract with them. The programme started with 150 students and now we have about 1600 students."

The respondent further explained that:

"We entered Malaysia with our partner's help. Our partner bore most of the financial risks and we bore the reputational risks but together we work on minimising the risks."

The respondent stated that:

"What is happening with our partner is that they have built a new postgraduate centre and that's modelled on Harvard postgraduate centre. I have been around it; it is quite nice with good lecture theatres. There we will offer our Global MBA hopefully in 2014 so that will be an expansion. The second conversation we are having with their Vice Chancellor is about expanding the portfolio of the undergraduate programme."

The respondent also mentioned that:

"They want to move into areas like biological sciences, expanding management programmes, introducing some more humanities programme and also introduce programmes that we cannot really deliver such as Dietetics, Nutrition and Allied Health. So we will have conversations to expand the portfolio. I think where they would like to get to in the next two to three years is to boost the number of undergraduate students from around 1,700 to 4,000/5,000. Malaysia is a very competitive market; whether they are able to achieve that is open for debate but clearly if they do not have the programmes they will not achieve it. They need a new building and currently they are building a new undergraduate block."

In terms of relationship with academic staff:

> "*A challenge for Sunway is in keeping the staff. It is a very competitive private sector market. Opportunities are springing up for staffs which allow them to leave easily. If we are training them and giving them the certificate of academic practice, it looks good on their CV accompanied by the number of years' experience, so the staffs move. They will move to the University of Nottingham, for instance. It is quite a challenge there. So the relationship was quite rocky early on and we have learnt a lot but the advantages are now paying off. We now have research links in Psychology so our staff will travel out to do research together. We are now beginning to formulate expansion plans around new programmes; the numbers of students are rising. So, the income that we receive has increased quite a lot but what we have done to match that is reinvest with new faculty members. So I think the partnership is now in a good place.*"

He also added that:

> "*Staffing was the big constraint because they did not have the staff to teach a more specialist module and we ended up having to teach those as well as all the other degrees. In terms of financials we do try to cover our costs but it is not profitable. If the courses were constantly not covering the costs the question then has to be whether or not we should carry on. So eventually, we just ran the programme out – we stopped recruiting students on that course.*"

With regard to the relationship with their partner and their university governance, the respondent claimed that:

> "*So the highest level will be me and the Vice Chancellor from Sunway University. We meet reasonably frequently; we constantly email one another and occasionally are involved in video conferences. We manage it also by seconding these Senior Academics to look at things. We also manage our operation by using an automated workflow system whereby exam papers and scripts are sent through Sharepoint and there are triggers in it which will make our staff look and then it will go back to make their staff look to agree.*"

Meanwhile in terms of relationship between staff at their partner's institution and the staff at their home institution, the respondent stated that:

> *"We look at every exam paper, for example the staff that would set an exam paper in Malaysia will send the exam paper to the equivalent member of staff who teaches the subject in our institution will make comments and will send it back to the staff that set the paper. The staff in Malaysia will either accept the comments or argue against the comments. There is also an internal moderation process which is an important change that we insisted on. So, one member of staff will set the paper, another member at Sunway will have to check it before sending the paper to our home campus"*

When asked about the number of faculty members that are sent out for the teaching partnerships, the respondent stated that:

> *"It depends, for the Global MBA programme then all the modules are taught by our staff but at the undergraduate level, it is our partners' faculty members that are mainly populated for the delivery of those programmes. However, we have just hired three new staffs that are entirely focused on going in to co-teach with our international partners. What we wanted was the three new staff to move between the three main partners so we would want them to go to Sunway, Comsats and GD Goenka."*

He clarified:

> *"We have also hired a senior member of staff who is located at each of the partnerships; therefore we have a senior member based in Kuala Lumpur, one in Delhi and another in Lahore. Their role will be to look at the partnership as a whole and perhaps do some teaching."*

However, he stressed that:

> *"The most important role is to help us on a strategic level in developing the partnership and they will report back to me so that I will understand what the issues and problems are so that I will be able to get involved. The three faculty members that we hired were at lecturer/senior lecturer level and they will be teaching across the partnerships. There are still faculty members who are based in our home campus who will still go out and make sure that we are doing our job at this end making sure that*

everything gets moderated, scripts are looked at as well as external examiners brought into the equation. So we have now a reasonably well developed system of governing and managing the partnerships."

The respondent was then asked about the permanent faculty members that are placed at the partners' institution, to which he responded:

"They will spend at least seven months per year in the partner's countries: Malaysia, Pakistan or India. They have to do that for tax reasons. However, we also want them to come back to our home campus because we want them to be aware of developments. The faculty members will be in a country probably for up to five years; it might be after that that we will rotate them or potentially they will come back to our home campus."

The respondent was then questioned on the amount of money spent every year to send out faculty members. He replied:

"This differs across the faculties. What happens is that we charge a fee to each student and they pay a fraction of the fee to come to study in our university. It is a very low fee that is charged by our university. Our fee adds on to the fee that the local provider charges but that fee then comes to the university but goes directly to the department. The centre of administration does not keep the fees."

He also mentioned that:

"The reason why we do that is to incentivise the department to actually do this work. So what we are about is really covering our cost. It is not about making a large amount of revenue but it is basically about raising our profile as a university. It is probably also about trying to raise our reputation as an international university. There is an element of diversifying risk to income streams because things like exchange rates can move."

The respondent added:

"The United Kingdom can be an expensive destination and there can be natural disasters which stops students from coming into our university. For exchange rates, you can hedge against exchange rates movement. If you look over enough years there

are ups and down, so this will average out over time. However, there is also an element of income generation but I would not say that it is the prime reason."

The respondent was then asked about their relationship with the home department in terms of profit. He explained:

"The money will go to support reinvestment, new faculty, i.e. the staffs that are going out to teach, it will be used to support our staff and also Sunway University's staff in marketing, across administrative and academic. We are trying to push it back into the partnership. We also have a staff development fund. The income that we receive, we take a slice of the income and put it into the staff development fund each year. This is for our partners' staff to come to our institution and similarly for our staff to go to our partners' institutions."

He clarified:

"By virtue of doing that we are able to offer the staff access to our certificate of academic practice which is the training programme. Equally we offer them subsidised PhD rates, which are about 50% of what we would normally charge. They can use the staff development fund to pay that 50%. Therefore we recycle and reinvest a lot of the income we get from these partnerships."

When asked about the nature of their relationship with their partner, the respondent stated that:

"We have shared control because the MQA has a voice in what the curriculum looks like and we would add our view on what the curriculum should look like. Gradually we have managed to manage the two sides so there is the Sunway MQA side and our institution's side and generally the curriculum has moved closer together. I think in terms of the day to day operation, we have the Vice Chancellor of Sunway University managing it with the staff that our university has seconded there to look at all kinds of issues such as quality assurance, staff development, portfolio development and the longer-term strategic development of the partnership. We are closer to the senior management now of Sunway by seconding staff out. I go out once or twice a year and I am constantly travelling around."

He explained:

> *"We also send staff from the staff development unit over to Malaysia to continue the process. In Malaysia they are able to interact with a bigger group of staff but again going through various issues such as curriculum design, moderation, assessments and others. It is a continuous process but it is very important for their staff to come to our home campus and it is equally important that we send our staff to their institution. This is as it is not a partnership if we do not have the relationship with one another."*

He informed that:

> *"We review the partnership and we review the contract. Things then come up over time. For instance, issues are raised or ideas are floated and I chair something called the partnership management group which we utilise to reach to the partners and that consists of academics from the faculties, senior professionals' services from secretariat, registry and IT."*

Meanwhile, in terms of the characteristics of the partner, he stated that:

> *"We have tended to focus on universities that are raising stars which are flexible in their decision making and are willing to buy into the model we have developed for the delivery of the programme. Another criterion will be financial stability. In Pakistan with Comsats, it is a strong Engineering and Science university. It is a highly ranked university in Pakistan but it would not fit in the world ranking. Comsats' research is not sufficiently well developed for it to have a high impact on world ranking."*

With regards to their partnership strategy, the respondent stated that bearing financial risk is an important strategy:

> *"Our partnership strategy is that we would try to find someone who would bear the financial risk and we would provide the academic. They will provide the building and staff meanwhile we would provide access to our library, access to our curriculum, we sent staff out to teach etc."*

He then explained that:

> *"The government has introduced more competition around certain categories of students such as AAB students and so on. Increasingly the international market has gotten more competitive. For instance, the Far East universities are developing*

rapidly in China, such that they are now becoming global competitors. In consequence, the world is becoming increasingly competitive and a more unpredictable place in terms of recruiting students."

He added:

"Obtaining research funding is becoming more difficult. We now exist in a global market where we are competing with many universities around the world. Not too many years ago we were essentially competing in a British market with a smaller number of competitors. So it has made it a lot more difficult."

When asked about their relationship with MQA:

"This thing evolves over time. So, I think it is true to say that the model that we started with in terms of managing the partnership in Malaysia which is essentially a small unit based in the University House support unit, that was introduced at the very beginning and it took probably a year or so to get things moving. So we move quite quickly. Obviously at the Malaysia end, we have to go to the Malaysian Qualifications Agency (MQA), we were able to deal with all of the conversation with Sunway quite quickly."

He clarified that:

"However, Sunway had to engage with the MQA and that takes time because the MQA is quite into the details. So probably for about 18 months in total to get things established. Over time, we have evolved the model, rather than have a unit at the University House that looks after the partnership; we've got somebody like me as the pro-Vice Chancellor essentially looking after all these relationships. However, the actual delivery is devolved into the faculties so that everything is embedded within the academic systems and processes. In terms of registering students and finance it is all embedded with our equivalent finance and registry. We've moved from highly centralised to a decentralised model which I keep my eye on and everything is taking the right direction."

"The risk is if we do not recruit students, our brand is not strong enough and our partner's brand is not strong enough too. Another risk is if you do not have staff to teach at the right level. There is also a reputational risk if we make a mess and it will reflect badly on our institution here. I would not say that there is a financial risk because our partners bear most of the financial risk."

Meanwhile, with regards to competition, the respondent described the competition:

"I would describe the competition in Malaysia as tough. We manage the competition by developing programmes that are more attractive and distinctive than our competitors; we manage it by charging fees that makes you competitive and the link to our university give Sunway an edge. If they do not have our university, I do not think that they will be able to recruit as many students. I think Sunway would define their main competitor as Taylors, however I would say Nottingham University in Malaysia and HELP University."

With regard to their partner:

"The way degrees are thought of in Malaysia is different from how degrees are thought of in the UK and over time I think we have managed to bring our partnerships around to the way we do things and to get them to access at the right level."

He further explained that:

"I think Malaysian students see the value of a degree as educational meanwhile students in the UK want to get a degree, the educational value is certainly important but for an eighteen-year-old student most probably it's the social life that is important. Another aspect that is different is that probably it is easier for us to hire highly qualified staff in the UK as compared to in Malaysia. At Sunway, an increasing proportion of the staff has a PhD and it is something that we are working on. In the beginning we had to work on that, trying to get the staff to see the logic of getting their PhD."

With regards to teaching staff and the ability to maintain the quality as in the home institution, he clarified that:

"We manage to do so by doing all the checking that we do every time the staff set exam papers. As I mentioned, we also conduct the staff development process on a

regular basis. We also tend to go out and watch the staff in Malaysia during their lecture sessions. I had been to Sunway a few times to sit in lectures and I was able to see a lot of good lecturers. These lecturers were able to interact with the class, they were also able to generate feedback from the students and it is a two-way process."

4.2.11 Case Study Eleven (International Joint Venture D)

4.2.11.1 Background

International Joint Venture D had been working with their partners in Malaysia for 30 years when the university was still a polytechnic. In Malaysia, they were among the first movers in terms of new award areas and new technologies. They are always trying to create what the market might need while still keeping the core. Before the partnership in Malaysia, the institution was working with an agency in Malaysia where they received students from Malaysia to study on their law programme.

The institution has an office in Suzhou, China. The office manages all of their partnership activities in China. They also have a partner in China called the Global Institute of Software Technology. The office is also in charge in direct recruitment of students from China to their home campus. The institution has a partner in Sri Lanka which collaborated with their Malaysian partner. There is also a recruitment office which manages the partnership at the same time.

In terms of partners, the institution has partners in Hong Kong, China, Malaysia, Vietnam, Sri Lanka, India, Oman, the Czech Republic, Austria and other countries. The university also delivers bespoke programme at some of their French partners. They are also involved in validation of their partners programme in Ghana. They have very good connections in Africa.

The institution is also trying to enter the South American market, Indonesia, Philippines and probably South Korea. The first partnership arrangement that the institution started with was in Malaysia before they entered Hong Kong. They always aim to have quality partnerships in specific countries targeted and also to enter partnerships for the long term. By 2017, they aim to recruit 25,000 students to study for their programmes abroad. For each programme itself, there is natural growth every year. They are also looking to diversify the internationalisation activities that they are involved in.

There are a few types of programmes offered where they quality assure their partners' programmes. They also offer their curriculum and award. They would run the programme at

their partners' institutions. They would ensure that there is a robust process of validation and approval. They also offer dual degrees in which their partner would have their own degree awarding power and they have their own degree awarding power. They would look at compatibility and also they would do outreach teaching where they would send their faculty members to teach at their partners' institutions.

They also deliver English language programmes in the Czech Republic, Slovakia and Greece. Mostly they would offer Business and Management degrees, Accounting and Finance, Mechanical, Electronic and Chemical engineering; they are also offering technology-based courses because their partner is very much technology-oriented.

4.2.11.2 Types of Relationship Impacts of Relationships

With regard to the relationship with their partner, the respondent claimed that:

> *"This goes back quite some time. The founder used to be the training manager for IBM in Malaysia. He was looking for a UK university to recognise the academic value of that programme. He was a UK graduate and he came to the UK. He went to visit around ten universities"*

The respondent also informed that:

> *"At the time, it was a very different environment and a different market. He came to our institution, he liked what he saw but more importantly we both had the same mind set on the vocational and technical, practically applied education. He was then invited by the Malaysian government to set up Apiit back in 1993 and he asked us to be involved with him."*

In terms of fostering a relationship with university partner, she stated that:

> *"When we had been invited on a partnership arrangement, our university would then go through a process to assess the partner institution. This involves a number of activities including conducting due diligence, understanding the mission and vision of both parties; as a university, we would look if our prospective partners have similar values to us, financially and legally sound."*

She also explained that:

> *"After that, if we are happy with the partner we will then sign a memorandum of understanding with our partner. In terms of the process of setting up the award, we*

will go through the process of the planning of it. We will look at what the programme will look like and then we will go through a validation process. We will then look at our partners if they have the capability and resources to deliver our award. This is conducted when we are setting up the partnership."

The respondent also added:

"On a five-year basis, we will evaluate the partnership. We will look at all the input and all the output. Of course a partnership will evolve over a certain period of time. We will look at the programme if it is in the best interest of both partners. This can be quite complicated but there are clear quality processes. In terms of market, we are constantly responding to changes in technology."

In terms of the relationship between faculties:

"Yes. We only offer 17 programmes with them and that is in between franchised degrees and dual award degrees. The new activities involve my faculty, in fact there will be ten from my faculty and these are new areas."

She also highlighted that:

"We are already involved in a diverse range of internationalisation activities that are already successful and we have been working with our partners for a long time so it is questionable why we would not want to ruin something that is already working for us and for them. If we do set up a branch campus, one of the issues will then be on competing with our existing partners. We have grown in the partnership and we have grown with our partner since they were a small institution. This has given us the edge in the way that we work in the company."

She then clarified:

"We have international collaboration; we are becoming an international corporation and we have international staff, so eventually we become more globally aware, globally competent, we manage to develop skills and strengths in internationalisation."

In terms of internal relationship:

> *"I will report to the executive board at the university on everything that is happening. We would also monitor our partnerships and we would also have discussions in terms of the growth target. Then we have the partnership level where we would manage the relationship that we have with our partners. We would then go down to the faculty level where the faculty will conduct visits to our partners' institutions. We also have the academic-staff-level operation where we have programme advisors going out to our partners' institution. We then also have the quality level where we manage the quality of our programme and we set out the exams and so on."*

However, she explained that:

> *"There are areas which comply with the quality assurance and we monitor what our partners should be doing including sending out examiners. This includes everything that one would expect in terms of having a partnership. We do not see it as a control but we would see is as a dialog or a discussion. It will take some time to develop an award, the fact it is based on an agreement, we would discuss how it will be managed."*

She then clarified that:

> *"It is meant to be managed in a way that will comply with our regulations but we will not inform our partner right away that this is our regulation and this is how you should do it. We have to bear in mind that we are dealing with other universities and they would have their own degree awarding powers as do we. They would have their own requirement and we would have our own requirements. Therefore we would have a symmetrical relationship with our partners in which we would treat our partners as our equal. Therefore it is not a control environment."*

She then explained how partnerships are developed:

> *"Usually how we develop our new partnership is through our contacts. We have in the past used our existing partners in the best way. With our partner in Malaysia, we would communicate with them. They have a partnership in India and Sri Lanka which they brought us along with them. They have their own ambition but we continue to work closely with them."*

She also added that:

> *"Our partner in Malaysia has been with us for a long time and they know who we are how we are and our partnership has also been successful. So they would know what they wanted from that partnership but we would consult them and support them where we can. We are active; we do have a lot of contact through our academic staff network. We have, for example, started a new partnership in Africa because of a former member of staff."*

When questioned about the criteria when selecting partners, the respondent stated that:

> *"I think we do not have any set criteria. However, our partners should have the same philosophy with us. They have to be financially sound and have good quality. They also have to have a good reputation. We also look at programme compatibility and also if the institution has a partner, we would make sure that their partner is not competing with us or the partner is not competing with our other partners. It is a normal criteria but a lot of it has to do with experience so we would know how an institution will be like."*

She further elaborated that:

> *"The international partnership is a very small world but we tend to know academia or faculty members who are involved in the international partnership. In terms of partnerships, managing expectations can be quite difficult because some partners might expect us to do something that we are not comfortable with. Managing aspirations is also another problem. For instance, some partners could be telling us that they will recruit 100 students but actually in the end they only recruit 30 students."*

Meanwhile, with regards to collaborative strategy, the respondent claimed that:

> *"We would provide academic and quality support. For our partners in Malaysia, senior faculty members will fly out approximately about five to six times in a year."*

In terms of the relationship with their staffs:

> *"I think we have dedicated staffs that support us so it is not as difficult. However, sometimes it is hard to have a conversation. There are differences in terms of access such as electronic journals. I think the culture is also different."*

She added:

> *"For our partners in Hong Kong and Malaysia, in order to teach undergraduate degrees, they would have to have a Masters Degree. The majority if not all have had exposure to UK, Australian or American education. Therefore, it will be almost no difference in terms of the teaching staff in the UK and in our partners' institutions."*

4.2.12 Case Study Twelve (Foreign Branch Campus A)

4.2.12.1 Background

The campus was established in 1998. The campus in Malaysia is a self-accrediting private university of Malaysia. The institution is a Malaysian company and at the same time it is also a Malaysian institution of higher education. The institution falls under the provisions of the Private Higher Education Institution Act no. 555. The institution also reports to the Registrar General at the Ministry of Higher Education.

There are two foreign branch campuses outside of Australia, one in South Africa and the other in Prato Centre, Italy. The institution also has a strategic alliance in Mumbai, in Suzhou, China and with New Southeast University; and there is a new global alliance between the university and the University of Warwick. The global alliance is fairly new and it is still under development at the moment. The global alliance means that the two universities have agreed to build on each other's resources for the greater good. The idea is that the two universities, by working very closely together on education and research, can be more effective rather than by acting alone. The alliances in Mumbai, China and Warwick are not focused on undergraduate studies but rather mostly focus on higher degrees for research, research collaboration and at the very least postgraduate qualifications. When the branch campus was established in 1998, there were no staff and no students. The institution has since built up progressively.

4.2.12.2 Types of Relationship and Impacts of Relationships

In terms of the relationship with partner, the respondent claimed that:

> *"There was an existing partnership with Sunway. There was a strong understanding between the partners and with the passing of the Private Higher Education Institutions Act 1996 there was an opportunity for us to do so."*

The respondent was then asked on the relationship with the government:

"As far as I know, they were offering the ministers' approval to establish the first branch campus in Malaysia. There were no benefits offered in terms of financial assistance. However tax benefits were offered through the Multimedia Super Corridor (MSC) but there was nothing at the outset that would provide any financial assistance to us."

In terms of the relationship with accreditation bodies:

"We maintain our registrations as a private education provider. We maintain courses on the Malaysian Qualification register, from time to oblige to various audits and other processes. The MQA would come to our institution to do the audits; the most recent audit is called APA."

He added that:

"The Australian Qualification Board would also visit the Malaysian campus for similar reasons to the MQA. This is typically conducted every five years. We are extremely audited by various organisations which demand for different can cause difficulties, however over time we became very good at it. Therefore we are put under scrutiny very frequently and often from different perspectives. We also have professional bodies that will audit us, for instance the engineering board both from Malaysia and Australia. We keep our eye open for any contradictions from the various requirements."

He also mentioned:

"The internationalisation activity changed us vastly. Before the internationalisation agenda, the institution was the smallest university in the South East of Melbourne. With the internationalisation agenda, which is not just this campus because the institution is involved in other internationalisation activities too, the outlook of the university changed."

He also stated that:

"We keep close contact with the government; they see us as a leader within the private higher education sector. There is a level of resentment by some institutions that the new universities have been brought in and subsidised, therefore the playing

field is not particularly level. One of the roles of the government is to ensure openness and transparency."

In terms of the relationship with students:

"Students will sit for the same exams at the same time with our university in Malaysia. Our intake periods are the same and the unit periods are the same. We can therefore compare the quality of students that we have in the Malaysian campus against students that are studying at our home campus with a high level of confidence."

He added:

"Therefore we do not view it as being controlled by a foreign country. In our case, we are a full campus of the university, students here are the students of the university, and academic staffs here have rights to representation on the academic board."

In terms of their governance:

"We have two partners or shareholders. One is our home university in Australia who are mainly interested in our academic matters. So they would care about the growth of the campus. The other is the group who are interested about the growth and development of the campus. As we are a company, we have a board and I report to the board."

The respondent was then asked how his institution chose the partner or shareholder.

"At that time, a twinning arrangement had already happened for ten years with the then Sunway College. Through that our university and Sunway Group became familiar with each other.

With regard to employees:

"Generally they were of very poor quality, the staff qualifications were generally poor and there were no ethos amongst these staff of being serious academics as a developed country would understand that. For example, there was a notion of freelancing academics. Freelancing academics are lecturers who deliver lectures or tutorials for a number of different providers and not specifically for only one provider."

In relation to students:

> *"When I talk about growth, I am mostly thinking about growth in terms of our academic strengths. First and foremost, I am interested in the quality of the students and the quality of the experience that both the students and the staff have."*

He then provided an in-depth explanation on growth:

> *"By growth I also mean the academic strength of the institution to engage as an international university, to fully participate even though the participation is often conducted by means of video conference. It is not easy for some of our staff to do that but it is encouraged to learn to do that. The percentage of growth has been 8-10% per year and now we have 5,300 students studying here."*

In terms of the relationship with the government:

> *"Another example is that in Malaysia under various regulations, university students are not allowed to express their political views for any parties. One of our students protested outside of our university and so when that happened, we had to consider the Malaysian legislation and the university's principles and values for what might be described as the freedom of speech."*

He also added that:

> *"For this matter, we would just have to understand our responsibilities and keep a clear head about our responsibilities. We have to make sure that our responsibilities are met. We have to avoid compromise. When the university set up a campus in Malaysia, we agreed to comply with the laws of the country and the societal values of the country."*

According to the respondent:

> *"I think the institution has been fortunate in Malaysia. It has not gone through upheaval, has always enjoyed a strong understanding and relationship with the regulatory agencies. There have been experiences especially in the earlier days maybe two decades ago that disadvantaged private institutions at that time unaware of their experiences."*

He also added that:

> "However, I think the system has matured extremely well over the course of time and I have personally contributed to the maturing through my work with the Ministry of Higher Education and also the MQA. One of the things that is good with the Malaysian environment is that the agencies are allowed to work with the better providers in order to enhance the reputation of higher education in this country. I think there is actually an absolute alignment between the interests here and those of the reputable universities."

He also informed that:

> "In terms of politics, it depends on what the changes are. One of the things that has made this campus excellent has been that the vision of the education group and in particular the owner has been unwavering; the vision has been the same, the commitment has been unwavering and this has led to very stable partnerships."

He then mentioned that:

> "When Vice Chancellors come and go, as they do over time, often the Vice Chancellor comes with a new vision but the sequence of the Vice Chancellors during the life of this campus has been also unwavering support. We have not gone through change in direction. This is quite important to maintain a stable partnership. There are cases that I am aware of, for example, a Chinese university where a new president comes and he has a different vision. So all the relationships that have been built by the predecessors changed."

When asked about competition, he explained that:

> "There is competition to some extent but we are 14 years more advanced than the new foreign branch campuses. This campus has seen a lot of hard work, there has been a lot of development since we entered Malaysia, a new campus was even developed in 2007 purely on the basis of retained earnings. Shareholders have never seen the dividends and have always make profit and the profit has always been retained for future development."

He also provided his account on:

"There are rumours at present that the Ministry of Higher Education in Malaysia is reviewing 20 applications from foreign universities to establish branch campuses in Malaysia but mainly from the UK and Scotland with one or two from Australia and New Zealand. My own view on that is that it is a very sad development. If it happens, because over the last 14 years, we have seen the creation of quite impressive institutions and in addition to our campus, there are for instance Taylors University and SEGi and some other institutions. These institutions had been brought up through private investment or in our case through retained earnings."

He further elaborated that:

"I think it is sad the whole plethora of new universities to come to this country aided with government money or subsidised in some other ways because I fear that this will simply degenerate to the red bag collection of private colleges that did provide for this country prior to 1998. The concern within the higher education centre is that there is a risk. The other consequence of that is that when the foreign universities come in, their thinking is always to follow their home universities' ways of doing things."

He noted that:

"I have heard Vice Chancellors of the new universities that come into Malaysia inform us on this that they are bringing their own way of doing things into the country. Along with the investment as well as building up capacities and strengths, the Malaysian government on the regulatory side has also improved tremendously through the establishment of the Malaysian Qualification Agency (MQA). Prior to about 2000, the sector was regulated by a body called LAN (The National Accreditation Board) and it did not work particularly well. It was regarded by the private providers as heavy-handed and hyper intensive. With the establishment of MQA in 2007 and the passing of the MQA Act in 2007 their regulatory approach changed dramatically for the better."

He then informed on the working process of MQA:

"The MQA is inclusive and follows collegial peer referring processes. This works within the industry with the support of the industry. When these new universities come

in, there is immediately a dilemma on whether they meet the MQA specifications or not. Technically speaking they must meet the MQA requirement because their courses need approval by the MQA. So this challenges the MQA in the sense of how they deal with a university from a new country which has its own accreditation system. Their education framework will be different from the Malaysian standards. Once that university has been invited to enter this country, they would expect to be permitted to deliver their home programmes yet they are required under Malaysian law to meet the requirements of the MQA. This challenges the MQA role in regulating the quality of the higher education sector and the solution to this has not yet been identified, although discussed."

He then provided his opinion with regard to competition:

"The competition has always been fairly intense but it has changed in sophistication over time. There is a strong emphasis on advertising and everybody claims to be of the highest quality. The branding is not particularly sophisticated and there is relatively little emphasis on students' experiences and students' outcomes. As the market matures, the basis of the competition will shift. It is already shifting towards facilities. This has shifted away from just name recognition and reputation or rankings put up by British newspapers. I think the new competition will be in terms of research intensiveness. The competition is largely based on market expectations, the expectations of the prospective students and their extended families."

He also added that:

"I think of equal standing to our institution is the Nottingham Campus in Semenyih. Thereafter there is a big gap. The PHEIs in Malaysia offer different approaches than us, our approach is much more academic, much more like a research intensive university. I think institutions like Taylor could not be described as a research intensive university probably because it is not their top priority whereas for our institution, research is placed on an equal footing with education."

When asked about how difficult it was for his institution to adjust to local private higher institutions, he stated that:

"There is a lot of understanding in terms of the Malaysian culture and it is this understanding that leads to Malaysia becoming the natural development for our university. The institution was well known and well accepted in Malaysia."

Furthermore, he mentioned that:

"There were many alumni that hold position in companies and in the government. That experience paved the way for most of our substantial development."

In terms of accreditation:

"The Malaysian campus started in the days of LAN and we immediately sought LAN approval for our courses. We were able to do that successfully, one of the requirements was to offer three compulsory units. So we did that and we do not give credit for these courses but we require Malaysian nationals to do the courses. So far there has been no difference between the Australian qualifications framework and the Malaysian qualifications framework. There is always a possibility that there might be a contradictory requirement but it has not happened yet. On the other hand we have grown within the system and we are working very closely with the MQA. If the university is to enter from a new country, it is likely that there will be some divergences and it will be very difficult for the MQA and for the university to know what to do it about it."

In addition:

"When they are setting up a branch campus, they have little capacity to customise their courses for the Malaysian circumstances. That comes much later. In Australia we have six campuses. The Malaysian campus has adapted to the Malaysian characteristics. We have a Malaysian style cafeteria and a surau for our Muslim students to pray at."

Meanwhile, with regards to teaching staff, the respondent stated that:

"We do not perceive it as an introduction to the Australian teaching style. Our concept is based on the idea of an international university. All our staff should undertake an award course called the Graduate Certificate for the Higher Education.

There are quite a large number of our staff that do complete the course. We also have a programme for tutors on how tutorials should be conducted. When the university internationalised, academics have to learn new approaches to collegiality. When the same courses are run across cultures, this requires academic staff to come to terms with different cultural styles and different cultural approaches. Although all courses here are run in English, the words you use may lead to significant difference in interpretation."

He informed that:

"Everyone has become accustomed to that. When academic staff in Australia have to start dealing with primarily Malaysian staff they have to learn about how the Malaysian staff would like to go about things. The Malaysian staff also have to understand how their foreign counterpart operates and think. The interactions in between the two are very detailed because they go down to the level of examination, assignments and course development etc."

4.2.13 Case Study Thirteen (Foreign Branch Campus B)

4.2.13.1 Background

The university was established in 1881 then the Malaysian campus was established in 2000 and the campus in China was established in 2004. The university is involved in a whole range of activities that stretches from the traditional student recruitment to student mobility and exchange. This now also includes teaching partnerships, the establishment of a physical presence, research collaborations, knowledge-transfer collaborations, working with international alumni, international philanthropy and a social responsibility dimension of operating internationally.

There are regional offices in Malaysia, India, China, Mexico, Brazil and Ghana. The offices in Malaysia, China and Ghana were set up primarily to support students who were applying to study in the United Kingdom. In India, the office is not for recruiting students but is to support educational and business partnerships. The institution is also involved in partnerships arrangements, but it is different from traditional partnership arrangements. In Malaysia the partnership is in the form of collaboration at Masters Level or, more commonly, PhD collaboration. The university is currently in the process of discussing collaborative arrangements at PhD level with a number of universities in Malaysia; these are mostly with

public universities. In Malaysia, there were partnerships with Prime College and Informatics (now called SEGi) for conventional progression arrangements.

4.2.13.1 Types of Relationship and Impacts of Relationships

With regard to relationship with partners, acording to Respondent A:

> *"I think we had some engagement before we established our campus. I think we had a partnership with Sunway, but then when we wanted to establish our campus we did not go with Sunway. I think we spoke to them, but eventually we moved away from that and we started focusing on our partners."*

Respondent A also stated that, relationships are also a factor which drove Foreign Branch Campus B to establish operations in Malaysia, he stated that:

> *"When we first established our campus, it was because we were invited by the government. The current Malaysian Prime Minister, Dato Seri Najib was, at that time, the Education Minister and also had links with the Defence Ministry. Dato Seri Najib was an alumni of our university."*

This was confirmed by Respondent B, she mentioned that:

> *"We had very good alumni links with Malaysia and so essentially the conversation started through some of our alumni communicating with the Vice Chancellor. In these discussions, our university would be one of the institutions to set up a campus in Malaysia."*

With regards to alumni links, Respondent A explained that:

> *"We had a few conversations and the reason we went through with a government linked company, which is a partner of the Armed Forces Pension Fund (LTAT), is that there was some sort of connection between Dato Seri Najib and LTAT."*

Respondent B then added that changes in Malaysian legislation and vision had also encouraged the establishment of Foreign Branch Campus B. She stated that:

> *"While we were talking about it, the Malaysian government was developing Vision 2020 which consisted of the idea of making Malaysia the hub for the higher education market. The realisation of one way of doing this was to attract in foreign universities.*

So it was that kind of coincidence; we were thinking about it at the same time that Malaysia was thinking about it."

In terms of the relationship with the government as described by Respondent B:

"We told the Malaysian government that we were interested, we received the letter of invitation and so we eventually set up a campus in the city centre in 2000 and then we moved out to Semenyih in 2005."

Respondent B agreed on this, stating:

"Malaysia was open to the idea; Malaysia was interested to have foreign universities to establish campuses, we knew Malaysia well, we had a good alumni base, we knew a lot of people."

In terms of relationship with partners:

"We co-funded the campus with our partners and put a significant amount of money in on our own."

In terms of the relationship with students:

"The Malaysian project involves another segment which is for students who are not going to study abroad. Therefore, we did not know this particular segment of the market. In addition, there are elements that we had to work on such as legal requirements, particularly around students and how to manage students. For instance in Malaysia, students cannot be involved in any political activity."

She also stated that, internationalisation created a unique relationship with students:

"We can provide our staff and students unique mobility opportunities; either to go to Malaysia or China."

Meanwhile, Respondent A also informed that:

"Having both of the campuses gives us an opportunity to work with very bright students, very able students who for whatever reasons are not able to come to the UK; either they cannot afford it or they do not want to do so. At the moment, if we just work in the UK, we can only work with students who would want to come to the UK.

Having campuses elsewhere gives us the exposure to a broader pull of talented individuals, sort of tapping the untapped market.

She further explained that:

"We would want to work with the best students, if we have more choices we are more likely to work with the best. This also applies to staff. We are able to employ very good staff who for whatever reasons, cannot or will not come to the UK."

She also stressed that:

"There are also different reporting requirements and different cultural considerations. For instance, if we were teaching in the evening, what about people who have to go for their evening prayers? How do we then manage our schedule around fasting month, what happens when the fasting month falls when students are doing their exams, Friday prayers and so on. What will we do to a student who says that he or she will need to leave an exam to pray? The question then focuses on whether or not we should give the student extra time at the end of his or her exams."

In her statement, she mentioned there were aspects which Foreign Branch Campus B did not learn in the beginning; she explained that:

"I think we have got our pricing wrong. We believed even after we conducted market research that our university has a strong reputation and that we are well known, prestigious and we can afford to be premium-priced, which we were, but we just did not get students. We were simply too expensive."

In addition, she explained that:

"We also learnt that we needed to do marketing that targeted parents and not students. Furthermore, we learnt that we needed to be more outward focused. In the UK, a lot of people want to go to our university so we can afford to be very selective. In Malaysia it is very different. It is much more competitive. I think the UK is starting to change, I think parents are becoming more involved than they used to be."

She also included that:

"In Malaysia there was a direct payment because the students who were coming to our university, it was their parents who were paying. Over the course of time, we did

start to get MARA-funded scholarship students and so on but to begin with it was predominantly Malaysian Chinese students. They were paying, they were going to do their work and they were looking at what the best offers were and they were going to make their choices and they expected us to be chasing their custom."

She felt that:

"This was a bit new for us because this was not how we were operating. At that point, there were a lot of issues that we needed to learn from and understand. So we were overpriced because we were priced at a premium, similar to Monash University."

Furthermore, Respondent B claimed that:

"We also thought we were based at a fantastic location; i.e. at Jalan Conway just opposite Bukit Bintang. It was right in the city centre, close to the Twin Towers, but our students were telling us that the location did not work for them."

According to Respondent B, the students mentioned that:

"They wished that we were located at Petaling Jaya where it is closer to their home and because commuting to the centre of town in the morning was a nightmare for them. There were a lot of other aspects that with hindsight were blindingly obvious, but actually we had not appreciated it at the time. We thought people would love being there, being in a fantastic, vibrant and exciting city, amazing architecture and a real bustle of action, so it would have been great for students to be studying at the campus. The students who were studying at our campus, the majority of them were staying in Cheras, Petaling Jaya, Subang Jaya and Shah Alam, they were in the fringes of the city so for them the excitement went away as they would have to commute into the city and commute back on a daily basis."

She further explained:

"The applicant told us that his or her decision was based on the fact that he or she wanted to be in an integrated contained campus and thought that it was better to go there than to go to Foreign Branch Campus B in the city centre. One of our own students wanted a breadth of facilities."

Meanwhile, with regard to relationship with quality assurance bodies:

> *"We have a lot of visitors, we have a single quality assurance system, we have internal audits, we have external accreditations and we have frequent visitors. We are constantly looking at how we communicate inter-campus and how we can improve that. We would try different models of management."*

According to Respondent B:

> *"Our staffs gets an opportunity that is different, there are great opportunities in terms of complementarity research, so there are things that we can do in Malaysia that we cannot easily conduct in the UK."*

She provided an example in terms of tropical crop research:

> *"We have a tropical greenhouse which will allow us to conduct the research, but it is not on a field scale. We conduct work on drugs from rainforest plants and the potential for the biodiversity to yield new drug treatments. We do not have a lot of researchers in the UK who know about rainforest plants but we have rather more in Malaysia. We have a faculty member who is interested in the transmigration of elephants, the relationship between elephants and humans, and the problems that occur when areas of rainforest are lost and elephants are moved into closer proximity to the centre population. We cannot conduct these lines of research in the UK."*

She further explained:

> *"For social sciences, we are interested in the migrant communities in Malaysia. So there is a lot of research that either you cannot do in UK or you cannot do very easily. This also gives us access to different funding schemes. The Malaysian government would not be interested to give research funding to the UK but they are perfectly happy to give funding to a UK university in Malaysia. There are also advantages that surround brand and reputation."*

Meanwhile, in terms of decision making, Respondent A stated that:

> *"This is done by the entity in the UK called the management board but what they do is to interact with the Provost in the counterpart and they will then define the strategy and talk about international campus and international issues. This will then be passed down for us to implement."*

Meanwhile, when asked to comment on the method by which Foreign Branch Campus B chose their partner, Respondent B stated that:

"We worked essentially with our alumni who kind of brokered discussions with organisations in Malaysia that were interested in working with private universities. So we had a number of discussions and we finally reached agreement with our partner. It was about finding a partner that you can work with and feel comfortable with."

However, she mentioned that:

"I was not directly involved in the selection, but what we would likely be looking for was trust, commitment to the concept that it will be comparable to the UK, so it needs to be a research-active campus. We need to maintain and guarantee with confidence that the standard of the students are the same. We need people in the UK to be out in Malaysia. So we needed somebody that shares the vision and would take a long term perspective, we needed to have a good relationship; trust is just a part of it, we needed empathy and understanding, i.e. the right chemistry."

With regard to the relationship with alumni, she stated that:

"Malaysia always had this view that overseas education is something to aspire to. We benefit from the fact that UK education is a positive thing in Malaysia. There is a generation of scholars who, in 1950s or 1960s went to the UK, and there is a core that has been passed from generation to generation or aspirations to UK education. Because our university in UK has a large number of students coming and still has, as well, fairly key alumni such as the Sultan Azlan Shah and his son, as well as Tunku Jaafar."

Meanwhile, Respondent B felt that:

"I think it is very competitive. It is still growing and I think in many ways it is quite sophisticated. I think there are a huge amount of choices and different options. People who are looking for education have typically done a lot of homework and it is a market where people have high expectations."

When questioned on whether or not the market is congested, Respondent A stated that:

"I think it is close but there is still scope. At the moment, we are left with students who either cannot get into the public universities or the ones who will not attend public universities. If you then look at that selection of students, predominantly Chinese or Indian, a selection of JPA and Mara sponsored students, as we get more and more players that are entering Malaysia, the private higher education institutions in the bottom will drop out."

He added that:

"I think now there is more on the distinction of quality and I think you probably what will happen is that you will get a small selection of top end suppliers and then you have to think of what is attracting students to Nottingham or Monash. What we tend to find is that there is a core selection of students who did SPM and then they did A Levels. They did A Levels because their parents would want them to get a UK education. IF you speak to Professor Robin Pollard, you will find that there is a core selection of students who would do SPM and then they would do the Australian Pre University courses. We will take some Pre University and we will take some A Levels student. In that sense, our UK institution will not recruit students who does foundation course but we would. It is part of our adaptation to the Malaysian market."

Respondent B also believes that:

"We have created our own foundation programme here because in the Malaysian market it is more or less the expectation for a university. Monash does not because of their arrangement with Sunway. We have a pool of students who would want UK education and Monash will have students who would want Australian education. Then there is a subset in between who maybe did STPM in which our campus and Monash are competing for. However if you look at Monash and the pool of students who would want Australian education, these students can go to Curtin or Swinburne. Therefore, there are other choices for Australian education in Malaysia. This is in contrast with us as up until now, if you want the highest UK education in the country your option is our university or you would find any of the franchise programmes."

He further expressed that:

> "When other UK universities come into Malaysia, we might start to feel that pinch but I think there are still capacity there. They will certainly take away the monopoly but I do not think that it is a bad thing. I think giving student choices is a good thing. We often turn away students because they are not good enough for our institution. At the moment we cannot suggest students to other institutions but when other players come into Malaysia, we can do so. I think for us, the scope is to recruit more Malaysian students but probably what we will see more of is for JPA to send students to our institution instead of sending them abroad. When we first started we have more of Chinese and Indian students but now we are seeing more balanced students because JPA and MARA has started sending their sponsored students to our institution. This is a good thing because now we have the representation of the country mix."

Meanwhile, as for Respondent B, she stated that:

> "Congested suggest too many suppliers and I do not know whether there are too many because I do not know what the optimal amount is. Certainly there are a lot of providers in Malaysia; there is a considerable diversity in terms of choices. There is also a lot of variability in terms of quality, whether there is enough information, I am not sure although it is getting better."

She added that:

> "The government is doing a lot to try and improve transparency but certainly it is a crowded marketplace with a lot going on. I suspect it will benefit from some sort of consolidation. On the margins there are some small scale perhaps relatively low quality providers. However, there are also some good domestic providers really looking to improve their positioning in terms of quality and as other foreign providers come in, we have to work harder as there will be more competition."

In terms of the changes in the relationship with students, Respondent A stated that:

> "When we first started in Malaysia we only managed to recruit about 80 students. Eventually, when I came to Malaysia, when the campus was in central of Kuala Lumpur, there were 100 staffs and 900 students. Now we have 250 academics and 4500 students. We have grown significantly when we moved to the campus here. We

started with business, computer science and electrical engineering courses. Now we have three faculties, faculty of engineering, faculty of science as well as faculty of arts and social science."

Meanwhile, for Respondent B, she stated that:

"I think the issue for us has been on how to get the right positioning and communicate the message about the quality on what we do, communicate on our distinctiveness and certainly when we moved into Malaysia, the market does not understand what a branch campus was at that stage.

She explained that:

"People used to ask us if we are the franchise, so we would tell them that, no, we are the same institution as our home institution. The idea of having an international campus was not recognised as a model and people were trying to make sense of it in terms of existing models, so it was a franchise or a slightly dodgy organisation which uses our university's brand name. People would ask about our relationship to our home campus in the UK and there certainly was a challenge around getting recognition on what an international campus was and what it meant."

She then informed that:

"I think there is still a challenge around justifying premium fees. There was an interesting tension in that students requested for the teaching staffs to be of English origin and they do not want Malaysian staffs. In addition, if some of our faculty members from the UK campus went out to teach and if they are of Chinese or Indian or different ethnic origin, they will be seen differently from an English origin. This has changed a lot and it used to be a big issue in the early days. These are issues surrounding perception, messaging and positioning. We were playing on the fact that we are a British university, international university but getting the message right in that it means international students, international staffs and international environment."

With regard to accreditation body:

"We have faced a lot of hurdles. Most of our problems are ministerial related such as the accreditation problem. There had been programmes that we had to remove

because they were not as successful. However, that is part of trial and error when operating in a different market. Management of information technology where we have a lot of students on the programme, we brought it out to Malaysia in 2000 and we were quite successful. However around 2004 up to 2007 all of sudden IT graduates could not get a job anywhere. We then looked at the market again and then we realised that it was not IT that was needed, it was computer science. We then rebranded and remodelled the programme around computer science. However, we notice that there is a need for IT programmes at the moment so we sort of included the IT aspects back into the programme."

Respondent B provided a similar view, she stated:

"The failure could be in terms of programmes that had been discontinued. We offered some programmes in tourism which did not take off and probably because it was seen to be too expensive. It was early on and maybe it will be different now. We have had courses that were slow to take off such as our biotechnology programme and initially the course recruit only five students, then we managed to recruit seven students and then we have forty students."

She expressed that:

"We had to wait from in between three to four years to reach forty students. We had been very good at discovering new programmes, new subject areas but do take time to get established so we do not want to rush in. We would usually give it some time and we certainly have the idea that we need to run the course for at least three years to get a sense of what the market looks like."

However, she noted that:

"I think it was only the tourism course that had failed; we never even run the course as we never get anyone to apply for the course. In terms of partnership with local providers before we established the branch campus, the partnership with PRIME College never really work very well in that we never really get the amount of students that we would want too. It was a progressional arrangement in which students would attend the PRIME College for two years and they would then come to the University of Nottingham. I think the programme eventually just faded away."

With regard to students:

"There are a number of things such as student experience and students expectations. The question is about what students expect from an international university. Sometimes it can be an identical equivalent, a student might come to us and inform us that their friend in the UK received some materials which they did not in Malaysia and therefore potentially they are not receiving the same level of education as their friends would in the UK. We would then have to explain why it is different."

Meanwhile, according to Respondent B:

"Some of it is about understanding and knowledge of the market, some of it is about regulation and some in terms of unintended restrictions. For instance when we second someone to Malaysia, they are not eligible to be returned to the Research Excellence Framework (REF). This is seen as a negative because it is often seen as a weakness or gap in your CV. People want to be returned because that is the testament which would state that their research is of a good quality."

She added that:

"Specifically in science and Engineering, if a staff member is seconded, the person is not able to apply for research grants in the UK. This will have implications on the management of the staff members' research. There are also differences in terms of taxation systems which make it a bit complicated to second staff members."

She outlined further complications:

"In addition, because we are operating physically in Malaysia, we face many of the same issues that a corporate entity would as we have barriers around restrictions and immigrations, but these are mostly solvable. With the immigration issue, if we look at secondment. For example, if we want to second a senior female member of staff who is married and whose husband has a good job, for her to be seconded, he would have to give up his job. She will go to Malaysia and he will go with her but the question is then on what he will do. He will have to quit his job and historically it has been difficult to obtain work passes for the spouse of a secondee which makes secondment unattractive to some people. It is however changing with the establishment of TalentCorp in which there is recognition in terms of realising that something can be

done with these people. Unmarried couples getting a pass for a non-working partner is an issue too."

She added that:

> *"Meanwhile, in terms of the pricing issue, it was only at the start. That was something we eventually were able to resolve. In Malaysia, it is to an extent the same sort of position that we have in the UK. It is maybe the case that in the UK we are not the most expensive university; we are perhaps in the middle of the Russell Group universities. When you look at Malaysia, we are probably in the top three among the most expensive university in Malaysia in terms of our fee level. Monash University will be in number one and then it depends on the programmes. For instance, for MBA there are local providers that are charging fees that are more expensive than we are."*

They were then asked to explain about competition, Respondent A stated that:

> *"When we first come in and up until now, we tend to say Monash is our prime competitor. Within the private higher education system, we would say that Monash and Foreign Branch Campus B are the equivalent of Oxford and Cambridge in the UK. The way that we look at that is that we would say that we are fiercely competitive against each other as are Oxford and Cambridge."*

He added that:

> *"At the same time we work together because there are Oxford and Cambridge and then other institutions. Our school of pharmacy and Monash School of pharmacy will take a day and talk to each other in terms of research. One year it will be at our campus and another year it will be at their campus."*

He also stated:

> *"So we collaborate closely with Monash. Sometimes, we fiercely compete, but we do talk to each other. We will ask to compare the salary of our staff so that our staff will not try to threaten to leave us to work at Monash. We are competitors but at the same time we are friends. I think when Southampton and Reading enter the Malaysian market then it will get interesting. Newcastle is not really our competitor because they focus on medicine courses, but we do not offer a Medicine course. I think because we*

speak to them often, we would see them as potential collaborators rather than competitors."

As for Respondent B:

"I think our obvious competitor is Monash University and increasingly perhaps, the University of Southampton and University of Reading. I think the likes of Taylors University and Sunway University are as well. In many ways there is still a big gap between us and them, but actually they are investing heavily, they are building their brand well. They have a good offer and they are challenging. There are also public universities which we view as our indirect competitors such as Universiti Malaya (UM), Universiti Kebangsan Malaysia (UKM), Universiti Sains Malaysia (USM) and many others. The funding is different but nevertheless these universities attract some very bright students which we would like to attract if we could. So there are different layers of competition, but the most immediate are the other foreign branch campus developments. However, Swinburne and Curtin are quite far away, so I do not see them as direct competitors."

When discussing on their students, Respondent A stated that:

"The different cultural context in which student in Malaysia tends to be more passive. So what I did was to display a mistake on my lecture slide and would then wait to see if students would notice that. When no one asked about the mistake, I then asked my students why they did not correct me. So ever since then I have informed my students to correct me."

Meanwhile, with regard to accreditation body:

"We are subjected to QAA (Qualifications Assurance Agency) and MQA. Then we are also accredited by the professional bodies. For instance, engineers will get the UK professional body's accreditation and also the Malaysian body's. These things are not always compatible. This is one of the most interesting aspects about the Transnational Education, particularly about branch campus education. I probably spend 60% of my time trying to deal with this matter."

He explained, further that:

> *"It can be very problematic; the law which enables us to deliver our programme in Malaysia requires us to deliver the UK programme. So what will you do when the board of engineers speak to us and inform us that they would want our programme to be different from our UK programme? We have the law which requires us to imitate the UK curriculum, but on the other hand we have the board of engineers which inform us that they will not approve us."*

He explained an example relating to Engineering accreditation:

> *"We often have to come up with some innovative solutions. A good example will be the engineering course where in the UK you will just deliver lectures, sit for the exams and students will get their degrees. The board of engineers within the Malaysian context informs the providers of the engineering courses in Malaysia that they will only accredit a programme if it includes paid internships built into the programme. When they meet us, we cannot just built paid internships into the programme and make it count towards the degree because the degree that we offer in Malaysia is the same as we would offer in the UK. So anything that we change in Malaysia should also apply in the UK."*

The respondent further explained that:

> *"So we started to find ways around the programme in which we made it a 0credit module but it will be pass or fail. If they do not do it or if they fail it, then they will fail their degree. If they pass it then it does not count towards their degree. Therefore, if they received a first class, their first class will be the same as with students in the UK. In the end, we built it into the programme. Therefore, sometimes it can be problematic because the board of engineers are shifted towards the outcome based education and although the UK does outcome based education, if it does not look the same as how they want it then they will not provide us with accreditation. Another example is with the MEng course, the Malaysian board of engineers when they look at four year courses they usually would look at BEng courses. Our BEng is a three year programme; therefore, they will not accredit it; therefore, they will only accredit our MEng course."*

He added:

> "The one that got it right is the Board of Pharmacy and they acknowledge this issue. Therefore, they inform us that they will not accredit us since we are already being accredited by the board in the UK. They recognise the UK accrediting body anyway so what they told us is that they will recognise the UK accreditation conferred on the Malaysian campus. Therefore, only one accreditation will take place and it will be the UK accreditation board because we are a UK institution. Therefore, this makes the transnational education quite interesting because we did not get our heads around this matter but we only realise the situation once we started doing this."

Meanwhile, Respondent B stated that:

> "This is actually quite challenging because as an institution we ought to have a balance, we want a common system because we need to do things in the same way. The key principle is that we are basically awarding the same degrees. We are awarding our degrees under degree awarding powers that we have in the UK. Therefore we have to follow the system and processes in awarding UK degrees. We must have the common principle to quality assurance, we have to try to a common approach in managing the student experience. Of course, some of that we can do quite easily, so all exam papers will have to be approved by external examiners. The external examiners will then get to see the sample of the exams and written work, which is fine and it will work because we will just inform them that, perhaps set A are papers from the UK and set B are papers from Malaysia."

She also stated:

> "We then perhaps have underlying issues about how to manage records, which gets more complicated especially because we operate across multiple locations, the university might have issues regarding managing the data. Most probably a lot of the tasks are done manually, but the intention is still to complete tasks in the same way. Malaysia was also a slightly different market to the one we knew well but actually a very good market. The proposition was in getting a British degree at half the price and it was actually very attractive."

In terms of managing their relationship with other branches of the university, Respondent A stated that:

> "We have to coordinate between the three locations rather than just one so there is a complexity there. The time difference comes into play as well, especially concerning the committee. We see it as important that there are committees meeting, half representation from the international campuses and therefore they meet via video conferences, but that limits the time window on when the committees can meet. Even with phone conferences, how reasonable is it to say to someone in Malaysia that we would like you to attend this meeting regularly at 10pm? So, we tend to be restricted in a certain window of time, for one office we can do things late at night; I, myself, have attended teleconference meetings at midnight or 1am. I eventually get used to it but it is still a difficulty and adds to the complexity. Our senate meets in the afternoon and we cannot have our international campuses representatives there because it will be at night in their countries."

They were then asked about the relationship with the teaching staff, Respondent A stated that:

> "Staff recruitment was hard to begin with. This is because when we are trying to attract a senior academic from an established position, they have to gamble because they cannot be certain that we will be around. Our first cohort of staff tended to be young and junior academic staff. Sometimes they did not have a PhD but were willing to take up high workload. In many regards we are still doing that especially for our new schools. The problem with senior academics is that they would want to only work 20hours a week, they would want five PhD students and at the same time they possibly would want to have their own laboratory. The problem is that we do not know how many students we would get, whereas junior staffs would agree to work with us. Only now, we have started to appoint Professors because, before, we would get our staff to focus on teaching, but as we are becoming more research inclined, we will not know if the junior staff that we employed will have the skills to conduct research."

As for Respondent B:

> "We have a selection process and we make sure that we have good representation in the interview panel. Usually the home school in the UK is involved in the short listing process. This is so that we can try to ensure that we have consistency across locations. It is

the same process, we have job specifications, we advertise, we select, we interview, we look to get people to do a presentation perhaps, talk to them about

CHAPTER SIX: RESEARCH IMPLICATIONS

6.1 Introduction

Subsequent to the results and the case studies as were presented in Chapter Four: Findings and Analysis, this chapter will therefore explore the implications in terms of theory, practice and research. In terms of theory, the research question was developed to understanding the type of relationship which exist and how this then impact on the internationalisation process. This is as further explored in Section 6.1.1. Meanwhile, in terms of practice, this will relate to the significance of choosing Malaysia as the location of focus. This will be explored in Section 6.1.2. Meanwhile, in terms of research, this will involve the discussion of every aspect by which this research is conducted which will include the limitations that occur as well as the area in which future research can be undertaken.

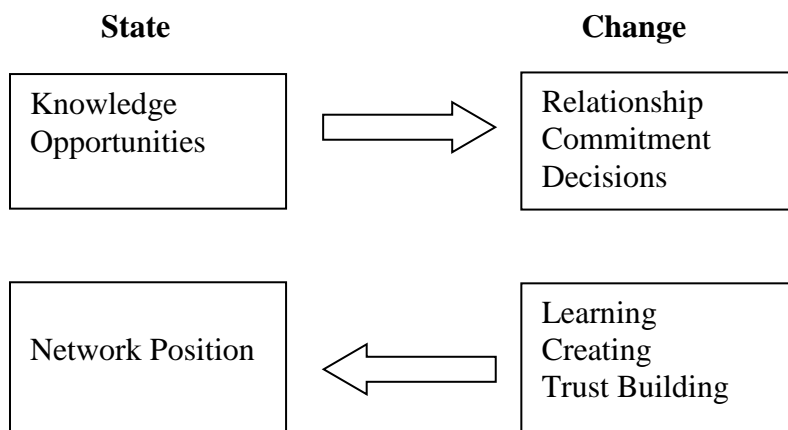## 6.2 Implication on the theory of Internationalisation of Higher Education

Despite the vast number of literature available when studying on internationalisation of higher education. It can be noted that the definition of internationalisation in itself tend to provide an even more confusion which led to the emergence of literature studying different themes. However, an initial proposition was made to define internationalisation of higher education which will be suitable for this study. This definition considered important aspects from all of the definitions available. It can be observed that internationalisation of higher education is therefore (1) a process (De Wit, 2002; Knight, 2001; 1994) (2) where integration of international, intercultural or global dimensions occurs, either as a consequence of (3) globalisation (Bhandari and Blumenthal 2011; Montgomery, 2010; Cantwell and Maldonado-Maldonado, 2009; Altbach and Knight 2007; Van Der Wende 2001; Scott 2000) or (4) other rationale. All of which occurs via (5) the presence of international students and faculty members at an institution (Horta, 2009) or (6) the delivery of international education. The scope of this process (7) extends beyond the delivery of education.

It was also mentioned that, although there are active effort made by academia worldwide to view internationalisation by applying theories of the firm, the study was outdated, which provided a motivation for this research to be conducted. Therefore, building on from Healey's (2008) attempt to incorporate the theory on internationalisation of firm as proposed by Johanson and Vahlne (1977), this study will take into consideration the updated model that they proposed. This research attempted to specifically understand the aspect of

international process with precise focus on relationship, how it affects knowledge and opportunity. As well as how this will subsequently affect learning, creating and trust building in order to strengthen network position. This study will also identify the factors of internationalisation and the importance of relationship.

When doing so, in order to bridge the gap within the literature on higher education and literature on internationalisation of firm, this study will take into consideration the collective characteristic which contributes to internationalisation of higher education. This was achieved by studying on the various types of mode of entry, from export entry modes to investment entry modes. It can be argued that indirect export entry modes involve the presence of international students and faculty members at an institution. Meanwhile, investment entry modes exist as a consequence of globalisation. Furthermore, in doing so, the scope extends beyond the delivery of education.

Figure 2.3 Business Network Model of the Internationalisation Process

State		**Change**
Knowledge Opportunities	⟹	Relationship Commitment Decisions
Network Position	⟸	Learning Creating Trust Building

Source: Johanson and Vahlne (2009)

The main criticism of the Business Network Model of the Internationalisation Process in that it does not identify the types of relationship which can exist. Therefore, as Chapter Five: Findings and Analysis, suggested, it was found that for each case, there are different types of relationship which occurs. There are relationships which do not affect actors which uses certain mode of entry. For instance, for Case 1, Case 2 and Case 3; it was found that their relationship mostly involves the relationship with students, relationship with prospective students, relationship with partners, relationship with prospective partners, relationship with education councils, relationship with parents and relationship with government. Interesting

relations for these cases are with regard to education councils. This is as education councils act as an intermediaries in promoting the education agents to their prospective partners. Another interesting finding was that, in two of the cases; the past experience of the owner, via their personal network resulted in the engagement with their prospective partner. With regard to this type of mode of entry, it can also be observed that the level of flexibility that they have can be limited. One of the cases also saw the difficulty when providing their service to their partner, in which case two agents were competing against the same pool of students, only on a different day.

For Case 4, 5 and 6 on the other hand, the relationship that occurs can vary. This can be with current students, prospective students, partners, prospective partners, home institution, education agencies, the government of both host and home institutions, the accreditation board of both countries. For some of the cases, the depth of the relationship is stronger than the rest. For instance, with regard to education agencies, for one of the cases, they forged their relationship ever since before they enter into the Malaysian market.

For Case 7, 8, 9, 10 and 11 on the other hand, it can be argued that the relationship which occurs is with regard to the students, partners, prospective partners, government of host and home country, accreditation board of both home and host country. It can be observed that when studying on the relationship with the Malaysian government, most of the institutions tend to disagree with the actions of the government. This is despite the fact that, some of the institution exists because of the invitation from the government.

Meanwhile for Case 12 and 13, the relationships are largely focusing on the relationship with students, alumni, faculty members, accreditation board, professional bodies, and government of both host and home countries as well as the parents of the students. In this case, it seems that both would have to undergone a huge scrutiny from the accreditation boards often from both countries. In both cases, it was also found that there exist problems with regard to the relationship with faculty member or staffs.

However, the most important finding was that, when trying to understand the concept on relationship while adapting the Business Network Model of the Internationalisation Process, it was found that (1) Only in some cases relationship resulted in opportunities, (2) Knowledge does not often translates into the strengthening of network position. This can be supported by Case 13. In this case, despite arguably having a strong relationship with the government and also However, it is also important to note that even if some of the components occur, the type of relationship was not explored. In addition the magnitude or strength required for each component within the network model is also left to be understood.

One of the significance of conducting this research also lies in the selection of Malaysia as the location of focus. Malaysia and Singapore have been prime examples of countries where the supply of public sector tertiary education has been unable to keep pace with the growth in demand for post-secondary education (Lee, 2004). Malaysia realises that it would not be able to educate a significant proportion of its population at the tertiary level through its own public institutions (Morshidi, 2005).

In addition, the UMNO/Malay-dominated government was very keen in applying education as a tool to drastically promote the socio-economic status of its indigenous (bumiputera) population after the infamous racial riots which erupted on 13 May 1969 (Mok, 2009). Until now, the Bumiputera policies, which give Malays affirmative action, have strongly influenced the unbalanced concentration of Malay ethnics in the public higher education sector (Yonezawa, 2007).

The domestic private higher education sector could only be activated after the mid-1980s when global recession increasingly restricted the capability of both the non-bumiputera families and the government to finance bumiputera students studying abroad (Mok, 2009). Essential Higher Education (HE) Institution Regulation in 1969, however, barred private HEs from conferring degrees and foreign universities from setting up branch campuses. MCA lost their case to set up a private university (Morshidi, 2005). In 1970, PHEIs were allowed to offer pre-university courses (Morshidi, 2005). As a result, in the 1980s, private providers became involved with innovative twinning and franchise agreements in collaboration with foreign universities at bachelor degree level and for other qualifications (Morshidi, 2005). Among the pioneers were Monash University and the Sunway Group (Morshidi, 2005).

Rapid economic development in the 1990s increased the demand for mass higher education, especially among those groups who demanded higher education in English. However, the public higher education system failed to meet these demands (Tan, 2002). Furthermore, in 1995, the 20% of Malaysian students who were studying abroad cost the country around US$800 million in currency outflow, constituting nearly 12% of Malaysia's current account deficit (Ziguras, 2001).

Therefore, this, coupled with the Malaysian government viewing highly skilled human capital as the nucleus of a knowledge-based economy, has resulted in the government recognising the role of private higher education (Morshidi, 2005; Kamogawa, 2003). The government then provided an integrated legal framework through the enactment of The Malaysian Private Higher Education Institutions Act 1996 (amended in 2009) (QAA, 2011). The education sector has since enjoyed the highest national development budget, which

demonstrates the commitment of the Malaysian government towards education (Khaled Nordin, 2009). Malaysia was ranked 11th in the world in terms of market share as a destination among international students which has led the country to aim to be an education hub for the region (MOHE, 2009).

Although public institutions initially attracted most students, this is no longer the case. The number of students enrolling at private institutions has more than doubled since 1995. In 1995, there were 127,594 students enrolled in private higher education institutions in Malaysia (Lee, 1998). By 2002, the number had increased to 294,600 students (Ministry of Higher Education Malaysia, 2012). Ten years later, in 2012, the number had reached 454,616 students (Ministry of Higher Education Malaysia, 2012). In comparison, the increase of students who enrolled at public institutions is not as significant as the increase of students who enrolled at private educational institutions. Furthermore, the number of Malaysian students who opted to study abroad has decreased, suggesting that students are deciding to stay in Malaysia to pursue their higher education studies and that students are more interested with the education delivered by private higher educational institutions (PHEIs).

The significance of PHEIs with regard to this research lies in the type of programmes offered, as well as the category of private educational institutions that operate in Malaysia. Morshidi (2005) noted that in the context of higher education, internationalisation would normally manifest itself in many different types of provision and modes of delivery (Sirat, 2005). Over recent years, there has been a drastic increase in the number of PHEIs operating in Malaysia, which has more than doubled from 156 institutions in 1992 to 594 in 2013. In 1995, there were no private universities but currently there are 25 universities operating in Malaysia (MQA, 2013). Three types of programmes are commonly offered by PHEIs in Malaysia: (i) internal programmes, (ii) transnational programmes and (iii) programmes leading to qualifications awarded by external bodies (Lee, 2004).

Transnational programmes consist of twinning programmes, credit transfer programmes, external degree programmes and distance learning programmes. These are delivered in various ways in Malaysia, through local colleges and those partly foreign-owned including foreign university campuses. The types of programmes offered and the categories of PHEIs in Malaysia are significant as they both involve some form of market entry among foreign universities entering Malaysia. For instance, with the twinning programmes, mode of entry tends to be via a partnership or strategic alliance, meanwhile the establishment of foreign university campuses is a form of FDI. Currently, there are five foreign campuses in Malaysia: Curtin University of Technology (from Australia), Monash University Malaysia

(from Australia), University of Nottingham (from the United Kingdom), Newcastle University Medical Malaysia (from the United Kingdom) and Swinburne University of Technology (from Australia) (Ministry of Higher Education, 2010).

However, since this research is based on internationalisation per se, it will not only focus on PHEIs and education agencies that are responsible for marketing foreign universities in Malaysia, but will also take into account public universities, as there exist alliances between Malaysian public universities and foreign institutions. Therefore, the significance of choosing Malaysia for this study is evident, as there currently exists fierce competition among all the educational institutions resulting from internationalisation. It is also noteworthy here that most foreign university campuses operating in Malaysia did not commence with FDI immediately.

For instance, Monash University, which was the first foreign university to be established in Malaysia, evolved through a longstanding partnership with the Sunway Group, who owns Sunway University College (Monash University, 2010). Monash University was then invited by the Malaysian government to open a campus in 1998 (Monash University, 2010). The university spent RM200 million in 2007 to build a new purpose-built campus from which the campus now hosts 4,500 students and 500 staff. This suggests that the internationalisation process may also be relevant for foreign universities entering Malaysia and provides an ideal platform for this investigation.

It is also important to note that, within the context of higher education, it was found that, a large number

6.2.2 Limitations of the Research

The research has several limitations. Firstly, the fieldwork started in 2012 with most of the data collected in Malaysia. The fieldwork was then carried forward until September 2013. As had been mentioned in Chapter 3: Contextual Review of Malaysia, the higher education environment saw a drastic change in 2004 when most of Malaysia's pioneer institutions were upgraded to University College Status. Subsequently, these institutions were awarded with University status in 2011, where they offer their own programme instead of programmes that they collaborated with their university partners. Therefore, when the fieldwork was conducted, these institutions had already phased out their twinning arrangements. Some

continued with validation programmes in which case the institution awards their students with dual-award. This event therefore provided a significant limitation for this research in that, some of the respondents could not provide an in-depth explanation on the nature of twinning arrangements or as referred in this research, international joint venture agreement as their institution no longer offer such programme.

This also has a significant impact on the number of partners that these institution works with. If during the height of twinning arrangements in Malaysia saw institutions sometimes working with more than one partner from different parts of the world, currently, via validation programmes, these institutions work with no more than one partner. The university partner also often originated from one country. This would have otherwise provided a different dimension for this research in the sense that areas of research focusing on the selection of their partners, with regard to their country of origin could have otherwise be conducted. Another area of research which could have otherwise been investigated is with regard to the methods by which both parties came into an agreement. This could contribute in understanding the business culture of partners from different countries as well as in analysing as to whether or not firms venture abroad when the psychic distance is lesser. This could have also added to the understanding of factors of internationalisation in greater detail.

In addition, there are inconsistent amount of data gathered from each interview, the shortest interview only lasted for 45 minutes and the longest interview lasted for more than two hours. The inconsistency is due to the confidentiality of data provided. One of the respondents refused the use of voice recording and insisted on written recording. The use of written recording is also another limitation for this research as potentially, not all data were recorded. The same respondent felt that the information provided could have otherwise placed their institution in a vulnerable position. This is especially when as can be observed in Chapter 4: Findings and Analysis, relationship with partners is an important element where internationalisation is concerned.

Furthermore, with regard to confidentiality, only one institution provided their financial report. Others refused to do so. Access to financial report could have contributed in understanding the performance of an institution. This is also significant as the objective of this research is to analyse the performance of higher education institutions that operate in Malaysia. In addition to the absence of financial report, measurement of success and performance could only be measured in terms of the subjective understanding of the concept which would then hinder in providing a broader overview of performance.

Time and resource factors are also a clear constraint when conducting PhD research. Time was an issue with regard to receiving an agreement from the respondents to participate. This is despite attempts made to establish contact via various mediums of communication. Furthermore, some of the respondents who agreed to participate in the interview could only do so a few months after the first contact was established. This is either due to the reason that the respondents hold significant posts at their universities or in the case of others, was on a sabbatical leave. As a result, research became quite costly in terms of time and money spent to travel not only in Malaysia but also in the UK. In addition, for similar reason, some interviews were conducted immediately after another interview took place leaving limited time for the earlier data that was collected to be reviewed.

In addition, due to time factor, difficulty in terms of scheduling with respondents and the confidentiality nature of this research, only one respondent was interviewed per institution which could potentially impact on the validity and reliability of this research. Furthermore, initially, more than one respondent were contacted per institution in order to achieve validity and reliability for this research. However, in most cases, the respondents would suggest the interview to be conducted with a faculty member that is of a higher rank such as the Vice Chancellor. This created a further limitation in that some of the Vice Chancellors have not been at the institution for long. This is also a limitation because, as previously mentioned pioneer institutions in Malaysia have achieved University status and therefore when the Vice Chancellor was not a part of the institution during the height of twinning arrangements, the information he provided was rather limited.

Moreover, an attempt to contact the home university of one of the foreign branch campuses resulted with being suggested to contact the Malaysian campus. There is also an incident with a UK institution which in contrast, suggested for contacts to be made with a consultant who lives in Malaysia and is in charge of the international joint venture agreement in between the UK institution and the private higher education institution in Malaysia. Otherwise, a dyadic approach to internationalisation of universities in Malaysia would have been adopted.

With respect to the data, a huge volume of data was collected. The voice recording was played over and over again to ensure that the meaning was not lost and the interpretation of data was precise. In addition to that, conducting three types of analysis- within case analysis, cross case analysis and thematic analysis for this research was not an easy task but regardless, necessary.

6.3 Areas for Future Study and Research

Some areas that could be the focus for future related research will be discussed in this section. First, research can be conducted with institutions which currently hold a University College status as these institutions still offers twinning programme. This will therefore allow a better understanding with regards to mode of entry through international joint venture and therefore a greater understanding with respect to internationalisation of universities in Malaysia will be achieved. Conducting research with this type of institution could also allow comparisons to be made between the university college institutions and institutions that had been awarded with university status. Institutions with university status are the pioneer of twinning arrangements in Malaysia.

Furthermore, research could also be undertaken solely focusing on foreign branch campuses that have established their operation in Malaysia. This study only included two foreign branch campuses when at the moment; Malaysia is already hosting eleven foreign branch campuses. The effect on timing, location and entry order could be understood in depth. The proposed models could be utilised and edited where necessary. Similar research could also be conducted in different countries with high level of internationalisation activities. In addition, cross-country comparison could be made. This could be implemented via joint research initiatives with other institutions with high intensity of internationalisation activities. A cross- country comparison could provide understanding with respect to factor, cultural background and risks associated with internationalisation.

Other types of research methods may also be utilised. For instance, a focused interview instead of the semi focused interview that was conducted for this research. In addition, the number of case studies could be added or a more balanced number of cases per mode of entry could be designed. This could add to the outcome of the thematic analysis. In relation to performance, there are various ways in which future research can be undertaken. First, a dyadic study could be conducted. This will add to the understanding of performance from two institutions that are in arrangement with one another. Second, research on the performance of education hubs could also be conducted. Third, provided the changing nature of the higher education in UK in which students are paying higher tuition fees, a new study on performance could be undertaken. Studies could also be undertaken in analysing the impact of internationalisation activities on institutions that are involved.

REFERENCES

Abercrombie, N., Hill, S. and Turner, B. S. (1984) *The Penguin Dictionary of Sociology.* Great Britain: Allen Lane.

Aharoni, Y. (1966) *The Foreign Investment Decision Process,* Boston: Division of Research, Graduate School of Business Administration, Harvard University.

Agarwal, S. and Ramaswami, S. (1992) 'Choice of Foreign Market Entry Mode: Impact of Ownership, Location and Internationalisation Factors', *Journal of International Business Studies,* vol. 23, no.1, pp. 1–27.

Agarwal, V., and Winkler, D. (1985) 'Foreign Demand for United States Higher Education: A study of Developing Countries in the Eastern Hemisphere', *Economic Development and Cultural Change*, vol. 33, pp. 623-644.

Albaum, G. and Tse, D.K. (2001) 'Adaptation of International Marketing Strategy Components, Competitive Advantage and Firm Performance: A Study of Hong Kong Exporters', *Journal of International Marketing*, vol. 9, no. 4, pp. 59 – 81.

Alon, I., and Lerner, M. (2008) 'International Entrepreneurship in China: Lessons from Global Entrepreneurship Monitor', paper presented at the *Next Globalisation Conference on Transnational Entrepreneurship*, April. Waterloo: Wilfrid Laurier University. Available at: http://www.wlu.ca/documents/30218/International_Entrepreneurship.pdf.

Altbach, P.G., Kelly, D.H. and Lulat, Y.G-M. (1985) *Educational Exchanges, Foreign Study, Students, Foreign,* New York: Praeger.

Altbach, P.G. (2004) 'Globalisation and the University: Myths and Realities in an Unequal World', *Tertiary Education and Management*, vol. 10, no. 1, pp. 3 – 25.

Altbach, P.G. and Knight, J. (2007) 'The Internationalisation of Higher Education: Motivations and Realities', *Journal of Studies in International Education*, vol. 11 no. 3-4, Fall/Winter , pp. 290-305.

Anderson, C.R. (1988) *Management: Skills, Functions, and Organisation Performance*, Boston: Allyn and Bacon.

Anderson, E. and Coughlan, A.T. (1987) 'International Market Entry and Expansion via Independent or Integrated Channels of Distribution', *Journal of Marketing*, vol. 51, no. 1, pp. 71-82.

Anderson, E. and Gatignon, H. (1986) 'Modes of Foreign Entry: A Transaction Cost Analysis and Propositions', *Journal of International Business Studies*, vol. 17, no. 3, Autumn, pp. 1-26.

Andersen, O. (1993) 'On the Internationalisation Process of Firms: A Critical Analysis', *Journal of International Business Studies*, vol. 24, no.2, pp. 209-231.

Arnold, J.H. (1986) 'Assessing Capital Risk: You Can't Be Too Conservative', *Harvard Business Review*, September-October, pp. 113-121.

Asmussen, C.G., Benito, G.R.G. and Petersen, B. (2009) 'Organising Foreign Market Activities: From Entry Mode Choice to Configuration Decisions', *International Business Review*, vol. 18, no. 2, pp. 145-155.

Aulakh, P.S., Cavusgil, S.T. and Sarkar, M.B. (1998) 'Compensation in International Licensing Agreements', *Journal of International Business Studies*, vol. 29, no. 2, 2nd Qtr, pp. 409-19.

Babbie, E. (2005) *The Basics of Social Research*. 3rd Ed. Wadsworth: Thomson.

Barkema, H. G., Bell, J. H. J. and Pennings, J. M. (1996) 'Foreign Entry, Cultural Barriers, and Learning', *Strategic Management Journal*, vol. 17, pp. 151–166.

Barney, J. (1991) 'Firm Resources and Sustained Competitive Advantage', *Journal of Management*, vol. 17, no. 1, pp. 99-120.

Bartlett, C.A., and Ghoshal, S. (1987) 'Managing Across Borders: New organisational Responses, *Sloan Management Review*, vol. 29, no. 1, pp. 43-53.

Bharadwaj, S.G., Varadarajan, P.R. and Fahy, J. (1993), 'Sustainable Competitive Advantage in Service Industries: A Conceptual Model and Research Propositions', *Journal of Marketing*, vol. 57, no. 4, pp. 83-99.

Bell, J. (1995) 'The Internationalisation of Small Computer Software Firms: A Further Challenge to "Stage" Theories', *European Journal of Marketing*, vol. 29, no. 8, pp. 60 – 75.

Benito, G.R.G, Petersen, B. and Welch, L.S. (2009), 'Towards More Realistic Conceptualisations of Foreign Operation Modes', *Journal of International Business Studies*, vol. 40, no. 9, pp. 1455-1470.

Bennett, R. and Blythe, J. (2002), *International Marketing: Strategy, Planning, Market Entry and Implementation*, 3rd Ed. UK: Kogan Page Ltd.

Bennell, P. and Pearce, T. (2003), 'The Internationalisation of Higher Education: Exporting Education to Developing and Transitional Economies', *International Journal of Educational Development*, vol. 23, no. 2, pp. 215-232.

Bernama (2010), Malaysian Education Sector Set for Next Boom Phase [online] The Malay Mail, Available at: http://www.mmail.com.my/content/56152-malaysian-education-sector-set-next-boom-phase [Accessed 15 December 2010].

Berry, M.M.J. and Brock, J. K-U. (2004), 'Marketspace and the Internationalisation Process of the Small Firm, *Journal of International Entrepreneurship*, vol, 2, no. 3, pp. 187-216.

Blankenburg, D., and Johanson, J. (1992), 'Managing Network Connections in International Business', *Scandinavian International Business Review*, vol. 1, no. 1, pp. 5-19.

Blomstermo, A.S, D.D. and Sallis, J. (2006), 'Choice of Foreign Market Entry Mode in Service Firms', *International Marketing Review*, vol. 23, no. 2, pp. 211-229.

Bloodgood, J.M., Sapienza, H.J. and Almeida, J.G. (1996), 'The Internationalisation of New High-Potential U.S. Ventures: Antecedents and Outcomes', *Entrepreneurship Theory and Practice*, vol. 20, no. 4, pp. 61-76.

Emory S. Bogardus. "Social Distance in the City." Proceedings and Publications of the American Sociological Society. 20, 1926, 40-46.

Bourgeois, L.J. III (1979), 'Toward a Method of Middle Range Theorizing', Academy of Management Review, 4(3), 443-7.

Boyatzis, R. E. (1998) *Transforming qualitative information: Thematic Analysis and Code Development*. Thousand Oaks, CA: Sage.

Bradley, F. and Gannon, M. (2000), 'Does the Firm's Technology and Marketing Profile Affect Foreign and Market Entry?' *Journal of International Marketing*, vol. 8, no. 4, pp. 12-36.

Bringer, J.D., Johnston, L.H. and Brackenridge, C.H. (2004) 'Maximising Transparency in a Doctoral Thesis: The Complexities of Writing about the Use of QSR*NVIVO within a Grounded Theory Study', *Qualitative Research*, vol. 4, no. 2, pp. 247-265.

Brouthers, K. and Brouthers, L. (2001) 'Explaining the National Cultural Distance Paradox', *Journal of International Business Studies*, vol. 32, no. 1, pp. 177-189.

Bryman, A. and Bell, E. (2007), *Business Research Methods*, 2nd Ed. Oxford: Oxford University Press.

Buckley, P.J. and Casson, M.C. (1976) , *The Future of the Multinational Enterprise*, 1st Ed. London: Holmes and Meier.

Buckley, P.J. and Casson, M.C. (2009), *The Multinational Enterprise Revisited: The Essential*, Basingstoke: Palgrave.

Buckley, P.J. and Hashai, N. (2005) 'Firm Configuration and Internationalisation: A Model', *International Business Review*, vol. 14, no. 6, pp. 655-675.

Buckley, P., Newbould, G.D. and Thurwell, J. (1977) 'Going International - The Foreign Direct Investment Behaviour of Smaller UK Firms' in recent research on the *Internationalisation of Business, Proceedings* from the Annual Meeting of the European International Business Association, December, Sweden.

Bureau of East Asian and Pacific Affairs (2010) Background Note: Malaysia [online] Available at: < http://www.state.gov/r/pa/ei/bgn/2777.htm#> [Accessed 15 August 2010].

Burgel, O. and Murray, G. C. (2000) 'The International Market Entry Choices of Start-Up Companies in High-Technology Industries', *Journal of International Marketing: Summer*, vol. 8, no. 2, pp. 33-62.

Calvet, A.L. (1981) 'A Synthesis of Foreign Direct Investment Theories and Theories of the Multinational Firm', *Journal of International Business Studies*, vol. 12, Spring-Summer, pp. 43-59.

Carson, D. J., Gilmore, A. and Gronhaug, K. (2001) *Qualitative Marketing Research*, London: Sage Publications.

Cassell, C., Bishop, V., Symon, G., Johnson, P., and Buehring, A. (2009) 'Learning to be a Qualitative Management Researcher', *Management Learning* vol. 40.

Casson, M. (1985) 'Multinational Monopolies and International Cartels', in Buckley, P.J. and Casson, M.C., '*The Economic Theory of the Multinational Enterprise: Selected Papers*'. London: Macmillan, pp. 60 -97.

Caves, R.E. (1971), 'Industrial Corporations: The Industrial Economics of Foreign Investment', *Economica*, vol. 38, pp. 1 - 27.

Caves, R.E. and Mehra, S.K.. (1986) *Entry of foreign multinationals into the U.S manufacturing industries*, Chapter in Competition in Global Industries, Michael Porter (ed), Boston: Harvard Business School.

Cavusgil, S.T., Ghauri, P.N. and Agarwal, M.R. (2002) *Doing Business in Emerging Markets*, London: Sage Publications.

Cavusgil, S.T. and Freeman, S. (2007) 'Towards a Typology of Commitment States Among Managers of Born Global Firms: A Study of Accelerated Internationalisation', *Journal of International Marketing*, vol. 15, no. 4, pp. 1-40.

Cavusgil, S.T. and Zou, S. (1994) 'Marketing Strategy-Performance Relationship: Investigation of the Empirical Link in Export Market Ventures', *Journal of Marketing*, vol. 58, pp. 1-21.

Central Intelligence Agency (2010). East and Southeast Asia: Malaysia [online] Available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/my.html> [Last Accessed 1January 2014].

Chadee, D. and Naidoo, V. (2004) 'The Determinants of Export Demand for Higher Education in Asia', Annual proceedings of the Australia New Zealand International Business Association, Canberra, Nov 5-7.

Chadee, D. and Naidoo, V. (2009) 'Higher Educational Services Exports: Sources of Growth of Asian Students in US and UK', *Service Business*, vol. 3, no. 2, pp. 173-187.

Calof, J.L. and Beamish, P.W. (1995) 'Adapting to Foreign Markets: Explaining Internationalisation', *International Business Review*, vol. 4, no. 2, pp. 115-131.

Chang, H. and Hsing, Y. (1996) 'A Study of Demand for Higher Education at Private Institutions in the U.S: A Dynamic and General Specification', *Education Economics*, vol. 4, pp. 267-278.

Chee, H.W. and Harris, R. (1998) *Global Marketing Strategy*, United Kingdom: Financial Times Prentice Hall.

Chen, H. and Hu, M.Y. (2002) 'An Analysis of Determinants of Entry Mode and Its Impact on Performance', *International Business Review*, vol. 11, no. 2, pp. 193 -210.

Chen, H. and Chen, T.J. (1998), 'Network Linkage and Location Choice in Foreign Direct Investment', *Journal of International Business Studies*, vol. 29, no. 3, pp. 445-467.

Click, R.W. and Weiner, R.J. (2009) 'Resource Nationalism Meets the Market: Political Risk and the Value of Petroleum Reserves', *Journal of International Business Studies*, vol. 41, pp. 783–803.

Craft, M., Carr, R. and Fung, Y. (1998) 'Internationalisation and Distance Education: A Hong Kong Case Study, *International Journal Educational Development*, vol. 18, no. 6, pp. 467-472.

Coase, R.H. (1937) 'The Nature of the Firm', *Economica*, vol. 4, no. 16, pp. 386-405.

Coviello, N.E. and Munro, H.J. (1995) 'Growing the Entrepreneurial Firm: Networking for International Market Development', *European Journal of Marketing*, vol. 29, no. 7, pp. 49 – 61.

Coviello, N.E. and Munro, H.J. (1997) 'Network Relationships and the Internationalisation Process of the Small Software Firm', *International Business Review*, vol. 6, no. 4, pp. 361-86.

Craft, M., Carr, R. And Fung, Y. (1998) 'Internationalisation and Distance Education: a Hong Kong Case Study', *International Journal of Educational Development*, vol. 18, no. 6, pp. 467-472.

Craig, C.S. and Douglas, S.P. (1996) 'Developing Strategies for Global Markets: An Evolutionary Perspective', *Columbia Journal of World Business*, vol. 31, pp. 70-82.

Cuervo-Cazurra, A. (2006), 'Who Cares About Corruption?' *Journal of International Business Studies*, vol. 37, pp. 803-822.

Curtin University Sarawak (2010) [online] Available at: < http://www.curtin.edu.my/> [Accessed: 2 October 2009].

Cuypers, I.R.P. and Martin, X. (2010) 'What Makes and What Does Not Make a Real Option? A Study of Equity Shares in International Joint Ventures, *Journal of International Business Studies*, vol. 41, no. 1, pp. 47-69.

Cyert, R.M. and March, J.G. (1963) *A Behavioural Theory of the Firm*, Oxford: Blackwell Publishers Limited.

Datta, D.K., Musteen, M. and Herrmann, P. (2009), Board Characteristics, Managerial Incentives and the Choice between Foreign Acquisitions and International Joint Venture, *Journal of Management*, vol. 35, no. 4, pp. 928-953.

Davis T. (2002), 'Student Mobility: Changing International Patterns'. Paper presented at 16th Australian International Education Conference, Tasmania.

De Wit, H. (1995), *Strategies for Internationalisation of Higher Education, A Comparative Study of Australia Canada, Europe and the United States of America*, Amsterdam: EAIE.

De Wit, H. (1999) 'Changing Rationales for the Internationalisation of Higher Education', *International Higher Education*, vol. 15, pp. 1-2.

Delios, A. and Beamish, P.W. (2001), 'Survival and Profitability: The Roles of Experience and Intangible Assets in Foreign Subsidiary Performance', *Academy of Management Journal*, vol. 44, no. 5, pp. 1028-1038.

Denzin, N. K. (1989) 'Interpretive Interactionism'. In Morgan, G., *Beyond Methods: Strategies for Social Research*, Beverly Hills: Sage Publications, pp. 129- 146.

Amaratunga, Dilanthi, and Baldry, D. (2001) 'Case Study Methodology as a Means of Theory Building: Performance Measurement in Facilities Management Organisations'. *Work Study* vol. 50, no. 3, pp. 95-105.

Douglas, S.P. and Craig, C.S. (1995) Market Entry Strategies: An Emerging Market Perspective with C. Samuel Craig, *Foreign Trade Review*.

Dunning, J.H. (1977) *Trade, Location of Economic Activity and the MNE: A Search for An Eclectic Approach*, in Ohlin, B. Hesselborn, P.O. and Wijkman, P.M. (ed), *The International Allocation of Economic Activity*, London: Macmillan, pp. 395-41.

Dunning, J.H. (1980) 'Toward an Eclectic Theory of International Production: Some Empirical Tests, *Journal of International Business Studies*, vol. 11, no. 1, pp. 9-31.

Dunning, J.H. (1988) 'The Eclectic Paradigm of International Production: A Restatement and Some Possible Extension', *Journal of International Business Studies*, vol. 19, no. 1, pp. 1-32.

Dunning, J. H. (1988) 'Trade, Location of Economic Activity and the Multinational Enterprise: A Search for an Eclectic Approach', in Dunning J. H., *Explaining International*

Production, London: Unwin Hyman, pp. 13- 40 http://vcampus.u-strasbg.fr/depotcel/DepotCel/274/Noel%20Alain/2-Dunning%201988.pdf

Dunning, J. H. and Lundan, S. M. (2008) *Multinational Enterprises and the Global Economy*, 2nd Ed, Cheltenham: Edward Elgar.

Dwyer, F.R. and Oh, S. (1988) 'A Transaction Cost Perspective on Vertical Contractual Structure and Interchannel Competitive Strategies', *Journal of Marketing*, vol. 52, no. 2, pp. 21–34.

Easterby-Smith., M, Thorpe, R. and Lowe, A. (1991) *Management Research: An Introduction*, London: Sage Publications.

Easterby-Smith, M., Thorpe, R. and Lowe, A. (2002), Management Research: An Introduction, 2nd Edition, London: Sage Publications.

Eisenhardt, K.M. (1988) 'Agency- and Institutional Theory Explanations: The Case of Retail Sales Compensation', *Academy of Management Journal*, September.

Eisenhardt, K. M. and Bourgeois, L.J. III, (1988) 'Politics of Strategic Decision Making: Toward a Mid-Range Theory', *Academy of Management Journal*, December.

Eisendhardt, K. M. (1989) 'Building Theories from Case Study Research', *The Academy of Management Review*, vol. 14, no. 4, pp. 532-550.

Elkin, G., Devjee, F. And Farnsworth, J. (2005) 'Visualising the Internationalisation of Universities, *International Journal of Educational Management*, vol. 19, no.4, pp. 318 – 329.

Erramilli, M.K. (1991) 'The Experience Factor in Foreign Market Entry Behaviour of Service Firms', *Journal of International Business Studies*, vol. 22, no. 3, pp. 479-502.

Eramilli, M.K. and Rao, C.P. (1993), Service Firms' International Entry Mode Choice: A Modified Transaction Cost Analysis Approach, *Journal of Marketing*, vol. 57, pp. 19-38.

Erkko, A., Sapienza, H.J and Almeida, J.G. (2000) 'Effects of Age at Entry, Knowledge Intensity, and Imitability on International Growth', *Academy of Management*, vol. 43, pp. 909-924.

Fisch, J.H. (2008) 'Internalisation and Internationalisation under Competing Real Options', *Journal of International Management*, vol. 14, no. 2, pp. 108-123.

Flyvbjerg ,B. (2006) 'Five misunderstandings about Case-Study Research. Qualitative Inquiry, vol. 12, no. 2, April , pp. 219-245

Ford, David, Håkansson, H. and Johanson, J. (1986) 'How Do Companies Interact?, Industrial Marketing and Purchasing', vol. 1, no. 1, pp. 25-41.

Friedman, R. and Kim, J.H. (1988) 'Political Risk and international marketing, *Columbia Journal of World Business*, vol. 23, Winter, pp. 63–74.

Fredrickson, W. (1983) 'Strategic Process Research: Questions and Recommendations, *Academy of Management Review*, vol. 6, pp. 565-575.

Fredrickson, J.W. and Mitchell, T.R. (1984) 'Strategic Decision Processes: Comprehensiveness and Performance in an Industry with an Unstable Environment', *The Academy of Management Journal*, vol. 27, no. 2, pp. 399-423.

Futao, H. (2007) 'Internationalisation of Higher Education in the Developing and Emerging Countries: A Focus on Transnational Higher Education in Asia', *Journal of Studies in International Education*, vol. 11, no. 3-4, Fall/ Winter, pp. 421-432.

Gao, G.Y., Pan. Y., Tse, D.K. and Yim, B.C.K. (2006) 'Market Share Performance of Foreign and Domestic Brands in China', *Journal of International Marketing*, vol. 14, no. 2, pp. 32 -51.

Gersick, C. (1988) 'Time and Transition in Work Teams: Toward a New Model of Group Development', *Academy of management Journal*, vol. 31, pp. 9-41.

Giddens, A. (1984) 'The Constitution of Society: Outline of the Theory of Structuration', Oxford: Polity Press.

Gielens, K. and Dekimpe, M.G. (2001) 'Do International Entry Decisions of Retail Chains Matter in the Long Run?, *International Journal of Research in Marketing*, vol. 18, no. 3, pp. 235-259.

Gomez-Mejia, L. and Palich, L.E. (1997) 'Cultural Diversity and the Performance of Multinational Firms', *Journal of International Business Studies*, vol. 28, pp. 309–335.

Gummesson, E. (2005) 'Qualitative Research in Marketing: Road-Map for a Wilderness of Complexity and Unpredictability', *European Journal of Marketing*, Vol. 39 Iss: 3/4, pp.309 – 327

Hamel, G., Competition for Competence and Inter-Partner Learning Within International Strategic Alliances, *Strategic Management Journal*, vol. 12, pp. 83-103.

Hathaway, R. S. (1995) 'Assumptions Underlying Quantitative and Qualitative Research: Implications for Institutional Research', *Research in Higher Education*, vol. 36, no. 5, pp. 535-562.

Harris, S. and Sutton, R. (1986) 'Functions of Parting Ceremonies in Dying Organisations, *Academy of Management Journal,* vol. 29, pp. 5-30.

Hendry, C., Pettigrew, A.M. and Sparrow, P.R. (1988) 'Changing Patterns of Human Resource Management', *Personnel Management*, vol. 20, no. 11, pp. 37–47.

Henisz, W.J. (2000) 'The Institutional Environment for Economic Growth, *Economics and Politics*, vol. 12, pp. 1-31.

Hennart, J.-F. (1982) *A Theory of the Multinational Enterprise*, University of Michigan: Ann Arbor.

Hennart, J.-F. (1989)' Can the 'New Forms of Investment' Substitute for the 'Old Forms?' A Transaction Costs Perspective', *Journal of International Business Studies*, vol. 20, no. 2, pp. 211–234.

Hennart, J.-F. (1990) 'Some Empirical Dimensions of Countertrade', *Journal of International Business Studies*, vol. 21, no. 2, 2nd Qtr, pp. 243-270.

Hennart, J-F. (1991) 'The Transaction Costs Theory of Joint Ventures: An Empirical Study of Japanese Subsidiaries in the United States, *Management Science*, vol. 37, pp. 483-497.

Hess, G. (1982), 'Freshmen and Sophomores Abroad: Community Colleges and Overseas Academic Program', New York:Teachers College Press.

Higher Education Statistics Agency (HESA) (2010) [online] Available at: < http://www.hesa.ac.uk/index.php/content/category/2/32/141/> [Accessed 17 November 2010].

Hill, C.W. (2008) *International Business Competing in the Global Marketplace*, 7th Edition, New York: McGraw-Hill International Edition.

Hirsch, F. (1976) 'Is There a New International Economic Order? *International Organisation*, vol. 30, no. 3, pp. 521-531.

Hofstede, G.H. (1980) *Culture Consequences: International Differences in Work-Related Values,* London: Sage Publications.

Hollenson, S. (2007) *Global Marketing: A Decision Oriented Approach*, United Kingdom: Financial Times/ Prentice Hall.

Holloway, I. and Todres, L. (2003) 'The Status of Method: Flexibility, Consistency and Coherence', *Qualitative Research*, vol. 3, no. 3, pp. 345-357.

Howe, W.S. and Martin, S.G. (1998) 'Internationalisation Strategies for Management Education, *Scotland Journal of Management Development*, vol. 17, no. 6, pp. 447 – 462.

Hughes, J. and Sharrock, W. (1997) *The Philosophy of Social Research*, London: Longman.

Humfrey, C. (1999), *Managing International Students*, Buckingham: Open University Press.

Hussey, J. and Hussey, R. (1997) *Business Research: A Practical Guide for Undergraduate and Postgraduate Students,* London: Macmillan.

Hymer, S. H. (1960, published 1976), *The International Operations of National Firms: a Study of Direct Foreign Investment*, Cambridge: MIT Press.

Isobe, T., Makino, S. and Montgomery, D.B. (2000), 'Resource Commitment, Entry Timing, and Market Performance of Foreign Direct Investments in Emerging Economies: The Case of

Japanese International Joint Ventures in China', *The Academy of Management Journal,* vol. 43, no. 3, pp. 468 – 484.

Jain, A. K. (2001) 'Corruption: A Review', *Journal of Economic Surveys*, vol. 15, no. 1, pp. 71–121.

Jayasankaran, S. (1995) 'Privatisation Pioneer', *Far Eastern Economic Review*, vol. 158, pp. 42-44.

Jeannet, J. and Hennessey, H.D. (1995) *Global Marketing Strategies*, 3rd Ed, USA: Houghton Mifflin Company.

Jensen, N.M., Li, Q. and Rahman, A. (2010) 'Understanding Corruption and Firm Responses in Cross-National Firm Level Surveys', *Journal of International Business Studies*, vol. 41, no. 9, pp. 1481-1504.

Jiang, M.S., Aulakh, P.S. and Pan, Y. (2008) 'Licensing Duration in Foreign Markets: A Real Options Perspective, *Journal of International Business Studies*, vol. 40, no. 4, pp. 559-577.

Johanson, J. and Mattson, L-G. (1987) 'Interorganisational Relations in Industrial Systems: A Network Approach Compared with Transaction Cost Approach, *International Studies of Management and Organisation*, vol. 18, no. 1, pp. 34-48.

Johanson, J. and Jan-Erik Vahlne (1977) 'The Internationalisation Process of the Firm - A Model of Knowledge Development and Increasing Foreign Market Commitment', *Journal of International Business Studies*, vol. 8, Spring-Summer, pp. 23-32.

Johanson, J. and Wiedersheim-Paul, F. (1975) 'The Internationalisation of the Firm -Four Sweedish Cases', *Journal of Management Studies*, vol. 12, pp. 305–323.

Johanson, J. and Vahlne, J.E. (1990) 'The Mechanism of Internationalisation', *International Marketing Review*, vol. 7, no. 4, pp. 11-24.

Johnson, J. and Tellis, G.J. (2008) 'Drivers of Success for Market Entry into China and India', *Journal of Marketing*, vol. 72, no. 3, pp. 1-13.

Keegan, W.J. and Schlegelmilch, B.B. (2001) *Global Marketing Management: A European Perspective*, UK: Pearson Education Limited.

Kelly, P. (1998) 'Internationalisation and a Post-Development Vision, *Futures*, vol. 30, no. 7, pp. 739-744.

Kidder, T. (1982) *The Soul of A New Machine*, New York: Avon Books; The Hearst Corporation.

Kindleberger, C.P. (1969) *American Business Abroad,* New Haven: Yale University Press.

Kindleberger, C.P. (1984) *Multinational Excursions*, Cambridge: MIT Press.

Kirkman, B.L., Lowe, K.B. and Gibson, C.B. (2006) 'A Quarter Century of Culture's Consequences: A Review of Empirical Research Incorporating Hofstede's Cultural Values Framework', *Journal of International Business Studies,* vol. 37, pp. 285–320.

Klein, S. (1989) 'A Transaction Cost Explanation of Vertical Control in International Markets', *Journal of the Academy of Marketing Science*, vol. 17, Summer, pp. 253-60.

Knight, J. (2001), 'Monitoring the Quality and Progress of Internationalisation, *Journal of Studies in International Education*, vol. 5, pp. 228-243.

Knight, J. (2004), 'Internationalisation Remodeled: Definition, Approaches, and Rationales', *Journal of Studies in International Education*, vol. 8, no. 1, pp. 5-31.

Knickerbocker, F.T. (1973),'Oligopolistic Reaction and Multinational Enterprise, *The International Executive*, vol. 15, pp. 7–9.

Knight, G.A. and Cavusgil, S.T (1996) 'The Born Global Firm: A challenge to Traditional Internationalisation Theory. Advances in International Marketing', vol. 8, pp. 11-26.

Knight, G.A., and Cavusgil, S. T. (2004) 'Innovation, Organisational Capabilities, and the Born-Global Firm, *Journal of International Business Studies*, vol. 35, no. 4, pp. 124–141.

Kobrin, S.J. (1979) 'Political Risk: A Review and Reconsideration', *Journal of International Business Studies*, vol. 10, no. 1, spring – summer, pp. 67-80.

Kogut, B. and Singh, H. (1988) 'The Effect of National Culture on the Choice of Entry Mode', *Journal of International Business Studies*, vol. 19, no. 3, Autumn, pp. 411-432.

Kogut, B. and Zander, U. (1993) 'Knowledge of the Firm and the Evolutionary Theory of the Multinational Corporation, *Journal of International Business Studies*, vol. 24, no. 4, pp. 625-645.

Kreber, C. (2009) *The University and its Disciplines: Teaching and Learning Within and Beyond Disciplinary Boundaries?* London and New York: Routledge.

Kvale, S. (1996) *Interviews: An Introduction to Qualitative Research Interviewing*, London: Sage Publications.

Kwok, C. and Tadeese S. (2006) 'National Culture and Financial Systems, *Journal of International Business Studies*, vol. 37, pp. 227-247.

Law, K. and Muir, N. (2006) 'The Internationalisation of the Nursing Curriculum, *Nurse Education in Practice*, vol. 6, no. 3, pp. 149-155.

Lee, E.S. (1966) A Theory of Migration, *Demography*, vol. 3, pp. 47-57.

Lee, M. N. N. (1998) Corporatisation and Privatisation of Malaysian Higher Education, *International Higher Education*, vol. 10, pp. 7-8.

Lee, M. N. N. (2004) Global Trends, National Policies and Institutional Responses: Restructuring Higher Education in Malaysia, *Educational Research for Policy and Practice*, vol. 3, no. 1, pp. 31-46.

Leonidou, L.C. and Constantine S. K. (1996), 'The Export Development Process: An Integrative Review of Empirical Models', *Journal of International Business Studies*, vol. 27, no. 3, pp. 517-551.

Leonidou, L.C. and Constantine S. K., Palihawadana, D. and Stavroula Spyropoulou, S. (2007) 'An Analytical Review of the Factors Stimulating Smaller Firms to Export: Implications for Policy-Makers, *International Marketing Review*, vol. 24, no. 6, pp. 735 – 770.

Li, Q. and Vashchilko, T. (2010) 'Dyadic Military Conflict, Security Alliances and Bilateral FDI Flows, *Journal of International Business Studies*, vol. 41, pp. 765 -782.

Lincoln, Y.S. and Guba, E. G. (2000) 'The Only Generalisation is: There is No Generalisation'. In Gomm, R., Hammersley, M., and Foster, P., *Case Study Method*, London: Sage Publications, pp.27-44.

Lipsey, R.E. (2002) 'Home and Host Country Effects of FDI, NBER Working Paper No. W9293. Available at SSRN: http://ssrn.com/abstract=344877.

Luostarinen, R. (1979) *Internationalisation of the Firm*, Helsinki: Helsinki School of Economics, Doctorate dissertation.

Luo, Y. (1997) Guanxi and Performance of Foreign-Invested Enterprises in China: An Empirical Inquiry, *Management International Review*, vol. 37, no.1, pp. 51-70.

Luo, Y., 1998, Timing of Investment and International Expansion Performance in China, *Journal of International Business Studies*, vol. 29, no. 2, pp. 391-407.

Luo, Y. (2001) 'Determinants of Local Responsiveness: Perspectives from Foreign Subsidiaries in an Emerging Market', *Journal of Management*, vol. 27, no.4, pp. 451-477.

Luo, Y. and Park, S. H. (2004) 'Multiparty Cooperation and Performance in International Equity Joint Ventures', *Journal of International Business Studies,* vol. 35, no.2, pp. 142-160.

Luo, Y. and Tung (2007) 'International Expansion of Emerging Market Enterprises: A Springboard Perspective', *Journal of International Business Studies*, vol. 38, no. 4, pp. 481-498.

Luo, Y., Zhao, J.H. and Du, J. (2005) 'The Internationalisation Speed of E-Commerce Companies: An Empirical Analysis, *International Marketing Review*, vol. 22, no. 6, pp. 693 – 709.

Lyles, M.A. and Baird, I.S. (1994) 'Performance of International Joint Ventures in Two Eastern European Countries: The Case of Hungary and Poland', *Management International Review,* vol. 34, no. 4, pp. 313-329.

Madsen, T. K., Rasmussen, E. and Per Servais (2000) 'Differences and Similarities Between Born Globals and Other Types of Exporters, in Yaprak, A. and Tutek, H. (ed.) *Globalisation, the Multinational Firm and Emerging Economies* (Advances in International Marketing, Volume 10), Emerald Group Publishing Limited, pp.247-265

Makino, S., Lau, C.-M. and Yeh, R.S. (2002) 'Asset-Exploitation Versus Asset-Seeking: Implications for Location Choice of Foreign Direct Investment from Newly Industrialised Economies, *Journal of International Business Studies*, vol. 33, no. 3, pp. 403-421.

Malaysian University Guide (2013) Private Universities. [online] Available at: http://www.universitymalaysia.net/private-universities/ [A

Martin, X. and Salomon, R. (2003) 'Tacitness, Learning, and International Expansion: A Study of Foreign Direct Investment in a Knowledge-Intensive Industry', *Organisation Science*, vol. 14, no. 3, pp. 297-311.

Mason, J. (2002) *Qualitative Researching*, 2nd edition, Sage.

Matthews, J. (2006) 'Dragon Multinationals: New Players in 21st Century Globalisation', *Asia Pacific Journal of Management*, vol. 23, pp. 5-27.

Matthyssens, P. (2004) 'Strategic Flexibility in Export Expansion: Growing Through Withdrawal, *International Marketing Review*, vol. 21, no. 4/5, pp. 496-510.

Mazzarol, T, and Soutar, G. (2002) 'Push-Pull' Factors Influencing International Students' Destination Choice, *The International Journal of Educational Management*, vol. 16, no. 2, pp. 82-90.

McBurnie, G. and Ziguras, C. (2001) 'The Regulation of Transnational Higher Education in Southeast Asia: Case Studies of Hong Kong, Malaysia and Australia', *Higher Education*, vol. 42, no. 1, pp. 85-105.

McBurnie, G. (2002) 'Transnational Education, Quality and the Public Good. Case Studies from South-East Asia. In *Globalisation and the Market in Higher Education*: UNESCO Publishing, pp. 159- 171.

McDougall, P.P. and Oviatt, B.M. (1994) 'Toward a Theory of International New Ventures', *Journal of International Business Studies*, vol. 25, no. 1, pp. 45-64.

McDougall P.P. and Oviatt, B.M. (1996) 'New Venture Internationalisation, Strategic Change and Performance: A Follow up Study, *Journal of Business Venturing*, vol. 11, no. 1, pp. 23-40.

McDougall, P.P. and Oviatt, B.M. (1997a) 'Challenges for International Process Theory: The Case of International New Ventures', *Management International Review*, vol. 37, no. 2, pp. 85-89.

McLellan, C.E. (2009) 'Cooperative Policies and African International Students: Do Policy Spirits Match Experiences?' *Higher Education Policy*, vol. 22, pp. 283–302.

McMahon, M. E. (1992) 'Higher Education in a World Market: An Historical Look At the Global Context of International Study, *Higher Education*, vol. 24, no. 4, pp. 465-462.

McNaughton RB (2003) 'The Number of Export Markets that a Firm Serves: Process Models Versus the Born-Global Phenomenon, *Journal of International Enterprise*, vol. 1, no. 3, pp. 297-311

Merlin, L. (1992) 'Internationalisation as a Strategy Process', *Strategic Management Journal,* vol. 13, pp. 99-118.

Miles, M. B. and Huberman, A. M. (1994) *Qualitative Data Analysis: An Expanded Sourcebook*, Thousand Oaks: Sage Publications.

Ministry of Higher Education Malaysia, 2010: Number of Malaysian Students Abroad from 2002 – 2007 [online]

Available at: <http://www.mohe.gov.my/web_statistik/statistik_pdf_2008_05/msd_5-1.pdf> [Accessed 10 February 2010].

Statistics for Private Higher Educational Institutions 2008 – 2009 [online] Available at: <http://www.mohe.gov.my/web_statistik/statistik_pdf_2009/05_BAB_3_IPTS.pdf> [Accessed 10 February 2010].

Statistics for Tertiary Education Malaysia 2008 [online] Available at: < http://www.mohe.gov.my/web_statistik/Buku_Perangkaan_2008.pdf> [Accessed 10 February 2010].

Foreign University Branch Campus Programmes 2010 [online] Available at: < http://jpt.mohe.gov.my/PEMASARAN/booklet%20Education%20Malaysia/MOHE%20booklet%20-%20Foreign%20U%20Branch%20Campuses%20V1_2010.pdf> [Accessed 10 February 2010].

Mintzberg, H. (1979) *The Theory of Management Policy Series*, Prentice-Hall.

http://pbadupws.nrc.gov/docs/ML0907/ML090710600.pdf

Mitchell, J. C. (1983) 'Case and Situation Analysis', *The Sociological Review*, vol. 31, pp. 187-211.

Mok, K.H. (1999) 'Education and the Market Place in Hong Kong and Mainland China', *Higher Education*, vol. 37, no. 2, pp 133-158.

Monash University Malaysia, 2010 [online] Available at: <http://www.monash.edu.my/> and http://www.monash.edu.my/advancement/about/index.html [Accessed 2 October 2012].

Morshidi, S. (2006) 'Transnational Higher Education in Malaysia: Balancing Benefits and Concerns through Regulations', RIHE International Publication [online] Available at: http://lds.rihe.hiroshima-u.ac.jp/index.php?v=68332 [Accessed 10 March 2010].

Naidoo, V. (2008) 'Are Universities Export Ready in Their Recruitment of International Students?', *Journal of Studies in International Education*, vol. 14, no. 1, pp. 5-28.

Newcastle University Medicine Malaysia, 2010 [online] Available at: < http://www.ncl.ac.uk/numed/> [Accessed 10 December 2009].

Nguyen, T.D., Barrett, N.J. and Fletcher, R. (2006) 'Information Internalisation and Internationalisation Evidence from Vietnamese Firms', *International Business Review*, vol. 15, no. 6, pp. 682-701.

Neice, D. C. and Braun, P. H. (1977) *Patron for the World*, Ottawa: Canadian Bureau for International Education.

Ohmae, K. (1989) 'Managing in a Borderless World', *Harvard Business Review*, May-June, pp. 152-161.

Ojala, A. and Tyrväinen, P. (2007) 'Market Entry and Priority of Small and Medium-Sized Enterprises in the Software Industry: An Empirical Analysis of Cultural Distance, Geographic Distance, and Market Size', *Journal of International Marketing*, vol. 15, no. 3, pp. 123-149.

Oviatt., B. M. and McDougall., P.P. (1994) 'Toward a Theory of International New Ventures', *Journal of International Business Studies*, vol. 25, pp. 45–64.

Oviatt, B.M. and McDougall, P.P. (1995) 'Global Start-Ups: Entrepreneurs on a Worldwide Stage' *Academy of Management Executive*, vol. 9, no. 2, pp. 30-43.

Ozanne, J. L. and Hudson, L.A. (1989) Exploring Diversity in Consumer Research, in SV - Interpretive Consumer Research, Ed. Elizabeth C. Hirschman, E. C., Provo: Association for Consumer Research, pp. 1-9.

Padmanabhan, P. and Cho, K. R. (1999) 'Decision Specific Experience in Foreign Ownership and Establishment Strategies: Evidence from Japanese Firms, *Journal of International Business Studies*, vol. 30, no. 1, pp. 25-43.

Pak, Y. S. and Park, Y-R. (2004) 'A Framework of Knowledge Transfer in Cross-Border Joint Ventures: An Empirical Test of the Korean Context', *Management International Review*, vol. 44, no. 4, pp. 417 – 434.

Palmer, V. M. (1928) Social Sciences: Theories and Methods in Social Sciences, Gender Studies, Sex Role, Gender, Persons from an Interdisciplinary Viewpoint. The University Of Chicago Press.

Pan, Y. and Chi, P.S.K. (1999) 'Financial Performance and Survival of Multinational Corporations in China', *Strategic Management Journal*, vol. 20, no. 4, pp. 359-374.

Pan, Y., Li, S. and Tse, D.K.. (1999) 'The Impact of Order and Mode of Market Entry on Profitability and Market Share, *Journal of International Business Studies*, vol. 30, no. 1, pp. 81-103.

Pan, Y. and Tse, D.K. (2000) 'The Hierarchical Model of Market Entry Modes', *Journal of International Business Studies*, vol. 31, no. 4, 4th Qtr, pp. 535-554.

Parkhe, A. (1991) 'Interfirm Diversity, Organisational Learning, and Longevity in Global Strategic Alliances', *Journal of International Business Studies*, vol. 22, no. 4, pp. 579-601.

Parsons, C. and Fidler, B. (2005) 'A New Theory of Educational Change- Punctuated Equilibrium: The Case of the Internationalisation of Higher Education Institutions, *British Journal of Educational Studies*, vol. 53, pp. 447–465.

Penrose, E. T. (1959) *The Theory of the Growth of the Firm*, New York: John Wiley.

Pedersen, T., Petersen, B. and Sharma, D. (2002) 'The Role of Knowledge in Firms' Internationalisation Process: Where From and Where To?' In Blomsterm, A. and Sharma, D. (Ed.), *Learning in the Internationalisation Process of Firms*, London: Elgar Publishing.

Perkinson, R. (2006) 'International Higher Education "Seizing the Opportunity for Innovation and International Responsibility. "International Finance Corporation. World Bank Group. Presentation to 'Global 2' Education Conference, Edinburgh. December [online] Available at:
<http://www.ifc.org/ifcext/che.nsf/AttachmentsByTitle/Perkinson_Global2ConferenceEdinburgh_0708Dec06.pdf/$FILE/Perkinson_Global2ConferenceEdinburgh_0708Dec06.pdf>
[Accessed 10 October 2010].

Perlmutter, H. and Heenan, D. (1986) 'Cooperate to Compete Globally', *Harvard Business Review*, vol. 64, no.2, pp. 136-152.

Piekkari, R., Welch, C. and Paavilainen, E. (2009) 'The Case Study as Disciplinary Convention: Evidence from International Business Journals', *Organisational Research Methods*, vol. 12, no. 3, pp. 567-589.

Pinfield, L. (1986) 'A Field Evaluation of Perspectives on Organisational Decision Making, *Administrative Science Quarterly*, vol. 31, no. 3, pp. 365-388.

Pla-Barber, J. (2001) 'The Internalisation of Foreign Distribution and Production Activities: New Empirical Evidence from Spain', *International Business Review*, vol. 10, no. 4, pp. 455-474.

Platt. J. (1980) 'Case Study in American Methodological Thought Current Sociology', pp. 4017–48.

Pogson, K. (2008) 'Strategic Business Risk, The Top 10 Risks for Business, [online] Available at: http://www.scribd.com/doc/30234832/The-Top-10-Risks-for-Business [Accessed 2 February, 2010].

Pursglove, J. and Simpson, M. (2007) 'Benchmarking the Performance of English Universities', *Benchmarking: An International Journal*, Research Paper, vol. 14, no. 1, pp. 102 – 122.

Quer, D., Claver, E. and Rienda, L. (2007) 'The Impact of Country risk and cultural distance on entry mode choice: An integrated approach, Cross Cultural Management: An International Journal, vol. 14, no. 1, pp. 74 – 87.

Randoy, T. and Dibrell, C.C. (2002) 'How and why Norwegian MNCs Commit Resources Abroad: Beyond Choice of Entry Mode', *Management International Review*, vol. 42, no. 2, pp. 119-140.

Ranft, A. and Lord, M. (2002) 'Acquiring New Technologies and Capabilities: A Grounded Model of Acquisition Implementation', *Organisation Science*, vol. 13, pp.420-441.

Rao, L. G. (1979) *Brain Drain and Foreign Students*, New York: St. Martin's Press.

Rao, S. K. (1989) 'The long Shadow of Neo Colonialism: Experiences of Asian Students on the American Campus'. (Unpublished Doctoral Dissertation, the Pennsylvania State University).

Reid, S.D. (1981) 'The Decision-Maker and Export Entry and Expansion', *Journal of International Business Studies*, vol. 12, no. 2, Tenth Anniversary Special Issue, Autumn, pp. 101-112.

Remenyi, D., Williams, B., Money, A. and Swartz, E. (1998) *Doing Research in Business and Management. An Introduction to Process and Method*, London: Sage.

Rennie, M. W. (1993) 'Global Competitiveness: Born Global'. McKinsey Quarterly, vol. 4, pp. 45-52.

Report on Public Sector Agencies (2002). Executive Summary. [online] Available at: http://www.audit.vic.gov.au/publications/2002/20020605-Executive-Summary-Public-Sector-Special_Review.pdf [Accessed 9 June 2012].

Riege, A. M. (2003) 'Validity and Reliability Tests in Case Study Research: A Literature Review with "Hands-On" Applications for Each Research Phase', *Qualitative Market Research: An International Journal*, vol. 6, no. 2, pp.75 – 86.

Robson, C. (2002) *Real World Research: A Resource for Social Scientist and Practitioner-Researchers,* Oxford: Blackwell Publishers.

Rooke, J., Seymour D. and Crook, D. (1997) 'Preserving Methodological Consistency, a Reply to Raftery, McGeorge and Walters', *Construction Management and Economics*, vol. 15, no. 5, pp. 491-494.

Root, R.F. (1994) *Entry Strategies for International Markets*, First Edition, United States of America: Jossey-Bass.

Rose-Ackermann, S. (1999) *Corruption and Government: Causes, Consequences and Reforms*, Cambridge: Cambridge University Press.

Roulston, K. (2001) 'Data Analysis and 'Theorising as Ideology', *Qualitative Research*, vol. 1, no. 3, pp. 279-302.

Roy, A., Walters, P.G.P., Dean and Luk, S.T.K. (2001) 'Chinese Puzzles and Paradoxes: Conducting Business Research in China', *Journal of Business Research*, vol. 52, no. 2, pp. 203- 210.

Rowley, J. (2002) 'Using Case Studies in Research', *Management Research News*, vol. 25, no. 1, pp.16 – 27.

Rudner, M. (1997) 'International Trade in Higher Education Services in the Asia Pacific Region', *World Competition*, vol. 21, no. 1, pp. 87-115.

Rugman, A. (1981) *Inside the Multinationals*, New York: Columbia University Press.

Rugman, A. (1982a) Internalisation and Non-Equity Forms of International Involvement. In Rugman, A. *New Theories of the Multinational Enterprise*, Croom Helm and New York: St Martin's Press, pp. 9-23.

Rugman A. (1982b) *New Theories of the Multinational Enterprise*, Croom Helm and New York: St. Martin's Press.

Schnelle, K. (1967) *Case Analysis Business Problem Solving*, US: McGraw-Hill Inc.

Setara (2013). Executive Summary. [online] Available at: http://www.mqa.gov.my/portal2012/default/en/D-setara.cfm [Accessed 10 October 2013].

Sharma, D.D. and Blomstermo, A. (2003) 'The Internationalisation Process of Born Globals: A Network View, *International Business Review*, vol. 12, no. 6, pp. 739-753.

Shrader, R. C., Oviatt, B. M. and McDougall, P. P. (1997) 'Overcoming Foreign Market Risks: The Case of New Ventures', Paper Presented at the Annual Academy of Management Conference, Boston.

Shrader, R.C., Oviatt, B.M. and McDougall, P.P. (2000) 'How New Ventures Exploit Trade-Offs Among International Risk Factors: Lessons for the Accelerated Internationalisation of the 21st Century, *Academy of Management Journal*, vol. 43, pp. 1227-1248.

Sim, A.B. and Pandian, R.J. (2003), 'Emerging Asian MNEs and Their Internationalisation Strategies – Case Study Evidence on Taiwanese and Singaporean Firms', *Asia Pacific Journal of Management*, vol. 20, no. 1, pp. 27.

Simon, D.J. (1984) 'A Theoretical Perspective on Political Risk', *Journal of International Business Studies*, vol. 15, no. 3, Winter, pp. 123 – 143.

Sirowy, I. and Inkeles, A. (1985) 'University Level Student Exchanges: The U.S. Role in Global Perspective'. In E. Barber (Ed), *Students Flows: Their Significance for American Higher Education*. New York: Institute of International Education.

Stake, R. (1995) *The Art of Case Study Research*, Thousand Oaks: Sage, pp. 49 – 68.

Suder, G.S. and Czinkota, M.R. (2005) 'Towards an Understanding of Terrorism Risk in the MNE', *Multinational Business Review*, vol. 13, no. 3, pp. 3-23.

Smyth, H. J and Morris, P. W.G. (2007) 'An Epistemological Evaluation of Research Into Projects and Their Managementt: Methodological Issues', *International Journal of Project Management*, vol. 25, pp. 423-436.

Solomon, J. (2003) *Economics*, Fifth Edition, England: Prentice Hall Times.

Soy, S. (1997) The Case Study as a Research. [online] Available at: http://faculty.cbu.ca/pmacintyre/course_pages/MBA603/MBA603_files/The%20Case%20Study%20as%20a%20Research%20Method.pdf [Accessed 20 August 2013].

Stern, B.B., Thompson, C.J. and Arnould, E.J. (1998) 'Narrative Analysis of a Marketing Relationship: The Consumer's Perspective', *Psychology Marketing*, vol. 15, pp. 195–214.

Swinburne University of Technology (2010) [online] Available at: http://www.swinburne.edu.my/ [Accessed 2 October 2009].

Symon, G. and Cassell, C. (2012) *Qualitative Organisational Research, Core Methods and Current Challenges*, SAGE Publications Ltd

Task Force on Higher Education and Society (2000) Higher Education in Developing Countries: Perils and Promises. [online] Available at:

http://www.tfhe.net/report/downloads/report/overview.pdf [Accessed 21 March 2010].

Terpstra, V. and Sarathy, R. (1991) *International Marketing, Reading*, The Dryden Press: Orlando.

The Complete University Guide (2013) University League Table 2013. [online] Available at: http://www.thecompleteuniversityguide.co.uk/league-tables/rankings?y=2013 [Accessed 10 August 2013].

Travers, M. (2001) *Qualitative Research Through Case Studies*, SAGE Publications.

Turner, Y. (2005) 'So How Was it For You?: Evaluating the Transnational Education Experience, Five Years On', *International Journal of Learning*, vol. 12, no. 3, pp. 249 – 258.

Uhlenbruck, K., Rodriguez, P., Doh, J. and Eden, L. (2006) 'The Impact of Corruption on Entry Strategy: Evidence from Telecommunications Projects in Emerging Economies, *Organisation Science*, vol. 17, pp. 402 – 414.

University of Nottingham (2010) Malaysia Campus. [online] Available at: http://www.nottingham.edu.my/Pages/default.aspx [Accessed 2 October 2009].

U.S. Department of Commerce (2010) Doing Business in Malaysia: A country Commercial Guide. [online] Available at: http://www.buyusainfo.net/docs/x_9835943.pdf [Accessed 1 February, 2010].

Vernon, R. (1966) 'International Investment and International Trade in the Product Cycle, *Quarterly Journal of Economics 80*, pp. 190-207.

Vernon, R. (1971) 'Sovereignty at Bay: The Multinational Spread of U. S. Enterprises, *The International Executive*, vol. 13, no. 4, pp. 1–3.

Vernon, R. (1977) 'The strains on National Objectives: the Developing Countries, In Vernon, R. (ed.) *Storm Over the Multinationals: The Real Issues*, Cambridge: Harvard University Press, pp. 139-173.

Walters, P.G.P. (1986) 'International Marketing Policy: A Discussion of the Standardisation Construct and Its Relevance for Corporate Policy', *Journal of International Business Studies*, Summer, pp. 55-69.

Welch, Anthony. (2002) 'Going global Internationalising Australian Universities in a Rome of Global Crisis', *Comparative Education Review*, vol. 46, no. 4, pp. 433-471.

Welch, C., Pierkkari, R., Plakoyiannaki, E. and Paavilainen-Mantymaki, E. (2011) 'Theorising from Case Studies: Towards a Pluralist Future for International Business research', *Journal of International Business Research*, vol. 42, no. 5, pp. 740-762.

Wells, L. (1977) 'Negotiating with Third World Governments', *Harvard Business Review*, vol. 55, pp. 72-80.

Wende, M.C.V.D. (2000) 'Internationalisation Policies: About New Trends and Contrasting Paradigms', *Higher Education Policy*, vol. 14, no. 3, pp. 249-59.

Werner, S. (2002) 'Recent Developments in International Management Research: A Review of 20 Top Management Journals', *Journal of Management*, vol. 28, no. 3, pp. 277-305.

Wickham, M. and Woods, M. (2005) 'Reflecting on the Strategic Use of CAQDAS to Manage and Report on the Qualitative Research Process', *The Qualitative Report*, vol. 10, no. 4, pp. 687-702.

Williamson, O.E. (1975) *Market and Hierarchies, Analysis and Antitrust implications: A Study in the Economics of Internal Organisation,* New York: Free Press.

Yamin, M. and Sinkovics, R.R. (2006) 'Online Internationalisation, Psychic Distance Reduction and the Virtuality Trap', *International Business Review*, vol. 15, no. 4, pp. 339-360.

Yin, R. (1984) *Case study research: Design and methods*, Beverly Hills: Sage Publishing.

Yin, R. (1994) *Case Study Research: Design and Methods*, 2nd Ed., Thousand Oaks: Sage Publishing.

Yip, G.S., Biscarri, J.G. and Monti, J.A. (2000) 'The Role of the Internationalisation Process in the Performance of Newly Internationalising Firms', *Journal of International Marketing*, vol. 8, no. 3, pp. 10-35.

Yiu, D.W., Lau, C.M. and Brutton, G.D. (2007) 'International Venturing by Emerging Economy Firms: The Effects of Firm Capabilities, Home Country Networks and Corporate Entrepreneurship', *Journal of International Business Studies*, vol. 38, pp. 519–540.

Young, S., Hung, C-H. and McDermott, M. (1996) 'Internationalisation and Competitive Catch-up Processes: Case Study Evidence on Chinese Multinational Enterprises', *Management International Review*, vol. 36, no. 4, pp. 295–314

Zaheer, S. (1995) 'Overcoming the Liability of Foreignness', *The Academy of Management Journal*, vol. 38, no. 2, pp. 341-363.

Zahra, S.A. (2005) 'Entrepreneurial Risk Taking in Family Firms, *Family Business Review*', vol. 18, pp. 23–40.

Zahra, S.A. and George, G. (2002) 'Absorptive Capacity: A Review, Reconceptualisation, and Extension, *Academy of Management Review*, vol. 27, no. 2, pp. 185-203.

Zahra, S.A., Ireland, R.D. and Hitt, M.A. (2000) 'International Expansion by New Venture Firms: International Diversity, Mode of Market Entry, Technological Learning and Performance', *Academy of Management Journal*, vol. 43, pp. 925-950.