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Internationalization of Higher Education and its Impact on Enhancing Corporate Competitiveness and Comparative Skill Formation

Vidya Rajiv Yeravdekar*, Gauri Tiwari

Symbiosis Centre for International Education, Symbiosis International University, Pune, India

Abstract

The idea that career competencies are required to achieve corporate competitiveness is an integral part of the reference on globalization. As things present, it is no easy task to keep up with the rapidly growing vocabulary which captures the whole mass of skills that prepare a student to be part of the global workforce. In the discourse on globalization, the notion that competitiveness is critical to organizational sustainability has proved much the case. In consequence, it falls to higher education institutions to be responsive to those skills which constitute work-preparedness—and the way forward is through internationalization of higher education. The staggering pace at which trans-national corporations are moving up the global value chain implies that higher education institutions need to move inwards from peripheral to core internationalization. In other words, only such internationalization will serve as results in shift towards substantive skill formation. The study argues that internationalization of higher education contributes imperatively to the attainment of global career-readiness competencies; further, it discusses the myriad ways in which this comes about. The paper delves into the research concern largely through critical synthesis of published literature.

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1. Introduction

Globalization refers to the increasing integration and interdependence of groups as a result of cross exchange

* Corresponding author. Tel.: +91-20-25652444; fax: +0-000-000-0000 .
E-mail address: dr-vidya@symbiosis.ac.in

between them (Houghton & Sheehan, 2000). In a knowledge economy-centric definition, Altbach & Knightl (2007) define the concept thusly:

. . . [t]he economic, political, and societal forces pushing 21st century higher education toward greater international involvement. Global capital has, for the first time, heavily invested in knowledge industries worldwide, including higher education and advanced training. This investment reflects the emergence of the “knowledge society,” the rise of the service sector, and the dependence of many societies on knowledge products and highly educated personnel for economic growth (p. 290).

Globalization is directly correlated to the facility with which trans-local entities interact with each other (Altbach & Knight, 2007, p. 291).ⁱ The term globalization, as it has come to be understood, took roots in the Anglophone world following the Second World War. The new world order is increasingly being marked by incorporation of systems to form a “flat world” (Friedman, 2005). An outcome of this phenomenon follows that insularity and parochialism, more than ever before, foretold the danger of becoming irrelevant and perishing.

It is relatable that globalization devaluates the notion of nation-states without invalidating it, and herein is introduced the concept of internationalization. The two are frequently misperceived to be substitutable: while internationalization arises out of globalization, it is not identical to it. Internationalization refers to an engagement of multi-national, multi cultural and multi lingual dimension into an entity or phenomenon (cf. Altbach, Reisburg & Rumbley, 2009, pp 23-24).ⁱⁱ Along the same lines, Van der Wende (2001) refers to internationalization as the “process of increasing cooperation between states or to activities across state borders” (as cited in Powar, 2013). This description is important in that it emphasizes the dissimilarity between globalization and internationalizationⁱⁱⁱ from the standpoint of the manner in which each views the role of nation-states.

In an oft-cited definition of internationalization of higher education, Knight (1993, p. 21) states: “[I]nternationalisation is the process of integrating an international or intercultural dimension into the teaching, research, and service functions of an institution of higher learning”.^{iv} In a similar process-oriented definition, Altbach, Reisberg, & Rumbley (2009, p. 23) note: “[internationalization refers to] specific policies and programs undertaken by governments, academic systems and institutions, and even individual departments”. It is noteworthy that both authors pivot the definition on infusion of an approach to reach out and interrelate with other nations. *Au contraire*, the proliferation of globalization is described as “tentacular spread”.^v Thus, internationalization is not a goal unto itself, but means to an end: its value lies in enhancing pedagogy, research and innovation, and institutional engagement (cf. Van der Wende, 1997, as cited in Qiang, 2003).

Middlehurst & Woodfield (2007) have observed that internationalization has impacted higher education primarily in two ways: first, it has made the higher education sector more competitive, and secondly, it has driven institutions to devise policy prescriptions at the organizational level. The former implies that higher education the world over is viewed as a global marketplace for international students, academics and research funds. Thus, institutions and education providers do not interact with each other in a random fashion; rather they engage in active competition. The latter impact refers to the increasing range and complexity of activities undertaken by higher education institutions. These strategies might be limited in their goal to increasing international student enrolment, or these might be more comprehensive and aim to transform the entire ethos of the organization so it is internationalised across manifold dimensions. The understanding that internationalization of higher education adds competitive advantage drives institutions to incorporate the international element. This view perceives institutions to be partakers in the global marketplace of higher education as well as the multinational job market. Since globalization necessitates familiarity with cross cultural context it falls to higher education institutions to prepare the future workforce to meet the demands of global career. This view is borne out of the interpretation that internationalization is part of an inevitable “academic entrepreneurialism” (Davies, 1992, as cited in Knight, 1994). The impact of globalization on educational practices and processes has emerged as subject of research interest in its own right—complete with its own lexicon; cf. Appadurai (2006) and Castells (2000), as cited in Spring (2008, p. 333).

2. Competitiveness and skills

The notion of employability and its relation to higher education is continually transmuted to incorporate newer modalities. Employability competencies are under-girded by the twin concepts of “massification” of higher education and knowledge economy (cf. Gibbons et al. 1994; OECD, 1988; Scott, 1998; Scott, 1999, as cited in Teichler, 1999). The idea of knowledge economy refers to an economy which pivots on knowledge to thrust forward

productivity (Dahlman & Utz, 2005). In chronicling the discussion on higher education and employability, Teichler (1999), notes that the sixties was a period of focus on occupational structure in labour market. It was in the seventies that concerns began to grow about the demand for qualified labor, and it was in this backdrop that the term, “*Akademisches Proletariat*”—loosely referring to education divorced from job skills in a Marxist vein—came into being. Braverman (1974) endorses Teichler’s (1999) argument by explicating that the necessary skill content of jobs was actually on the decline as “educational attainment” was on the increase. Antithetically, Berg (1971) and Collins (1979) discussing the same period, note that employers tended to claim hypertrophic work-readiness skills for which they really had little use (as cited in Handel, 2003, p. 136). At any rate, the importance of employability was driven home. The momentum was lost in the eighties but sprung back in the nineties with the onset of liberalization of economies across the globe. Block & Cameron (2002) mark this shift in conceptualization as “the new work order” which is “a deregulated, hyper-competitive, post-industrial, globalized economy”; cf. Gee et al., 1996 and Fairclough, 1992, as cited in Block & Cameron, 2002. Research on the association between higher education and employability tends to yield to normative predispositions. Teichler (1999) notes, in particular that the quantitative-structural bias impairs several such studies, quite possibly resulting from the limitation that the economist’s viewpoint tends to prevail over the research undertakings.^{vi}

Globalization is inevitable because it increases productivity; further, the more globalized an economy, the more competitive it is (Salvatore, 2010). Similarly, the relationship between corporate competitiveness and globalization is based on interdependencies related to the core concern of business sustainability (Ogren & Herciu, n.d.). A corollary of this argument follows that competitiveness is critical to an organization: An un-competitive organization is unsustainable in a globalized world. Hatzichronoglou (1996), in reviewing the literature on the impact of globalization on corporate competitiveness, defends the emphasis on sustainability, and identifies four approaches, which drive a business to espouse global competitiveness: “The “engineering” approach, in which competitiveness depends on firms adopting the best practice...The “environmental/systemic” approach, in which competitiveness is seen as a matter of optimizing the environment for industry...The “capital development” approach which sees competitiveness as depending on the economy’s capacity to accumulate human and physical capital . . . The “eclectic/academic” approach which sees competitiveness as an area in which new research is needed, using various analytical tool” (n.p.). An important strain in the discussion on global corporate competitiveness and knowledge economy is comparative skill formation resulting in “high skills society” (Brown, 2001; Brown & Lauder, 2008), which stand for the argument that global economic competitiveness rests on the knowledge and skill set of workforce. Put otherwise, if an economy is to benefit optimally from global labor markets, a deliberate attempt has to be made to lift the skills base.

To be noted is the keystone idea about preparing the graduate to function successfully as global career professional by acquiring global competencies and multicultural skills. The former means a functioning knowledge of the ability to leverage global assets, such as global workforce, clients and collaborations. The latter refers to awareness of cultural variations such that a worker can successfully navigate his way around them without losing professional orientation. The expression “cultural variations” is very wide ranging indeed and refers to the whole gamut of differences that might be encountered on international and expatriate assignments or in interactions with foreign clients such as international time zones, professional protocols, foreign languages etc.

In the same vein, an important, but oft-neglected aspect of globalized work setting is the significance of inter-disciplinary approach, which refers to the facility to be conversant with diverse subject areas, as well as team up with professionals from wide-ranging skill areas. There are many ways in which inter-disciplinary education bolsters vocational and technical education: one instance of this would be familiarizing medical professionals with socio-cultural practices of a region, so that the needs of the society might be better served (cf. Arnold and Lipsmeier 1996; Tessaring 1998, as cited in Teichler, 1999, p. 178). The ever-growing number of multi-national companies and outsource operations are illustrative of the connectedness of modern-day trade and finance. It is no surprise that cross-cultural proficiency is fast emerging as a recognizably important part of career preparedness. It refers to those skills that facilitate interaction with and adaptation to other cultures and fall under the broader category of “soft-skills”, such as inter – personal communication, culture –specific etiquettes and protocols, and language. By way of supportive data, the “QS Global Employer Survey” noted that 62% of employers reported that they considered international education as part of their recruitment process (EAIE, 2012, n.p.). It is speculated that work-readiness skills are likely to gain more significance in the global job market which is “increasingly high tech, service oriented, and reorganized to involve greater employee participation in the workplace” (Bresnahan et al., 2002, as cited in Handel, 2003, p. 135). An ideal higher education institution, could such a thing be found, addresses the emerging

work readiness requirements. At the very least, it has a nose for what’s in the skill development wind, so to speak.

The increase in volume and modes of cross border higher education is doubtless one of the most conspicuous trends in higher education. Possibly, two distinct occurrences are to be credited with this development: internationalization of higher education is increasingly being pursued as policy prescription in favour of national capacity building (TLRP, 2008). Additionally, diversifications of modes of delivery and providers of higher education, in response to “massification”, have facilitated movement of students and programs across countries (Agarwal, n.d.).

It is widely established that programs which offer exposure to foreign environment within the context of academic setting, as in study abroad programs, contribute to personal and professional capacity building and occur in synchrony with the sociological concept of ethno – relativism (cf. Bennett, 1993): experiential learning, perceptual acuity, cognitive resilience, cultural empathy, and the ability to deal with uncertainty in constructive fashion. The drift of the idea is that knowledge and experience of foreign environment bestows upon person a unique vintage point which allows him to perceive his environment and value-system as one of many legitimate and authentic world-views. Counter intuitive, as it might seem on the face of it, validation of other cultures confers greater self-integration and autonomy. A person who has sufficient understanding of what might be construed as foreign and unfamiliar is better grounded in his reality and does not lose locus of psychological and socio-cultural identity in the face of adversity and uncertainty.

Teichler (1999) points out that internationalization trends in the future would be marked by a shift from periphery (study abroad and student exchange programs) to core (“comparative understanding, lingua franca and possibly other foreign language learning, borderless knowledge acquisition”). The author refers to a trend away from international student mobility to one where the international dimension of the “substance of learning”, as in curricular reforms, would be strengthened. Brown et al. (2008, as cited in TLRP, 2008, p. 6) take the argument further to stress that previous research studies were erroneous in focussing on developed economies: There presents a “massive increase in the global supply of highly educated workers, able to compete on price as well as knowledge”. This increase positively correlates with the case that skill and intellectual capital have taken on an enormous significance in corporate competitive advantage across the globe (cf. Ashkenas et al., 1995, as cited in Majumdar, n.d., p.1). Thus the entire length of value chain is increasingly being spread borderless.

Key skills developed through international mobility	Key skills required by employers
<ul style="list-style-type: none"> • Self-awareness, self-confidence, sense of identity, and personal independence • Being informed, greater interest in global affairs and cross-cultural perspectives • Organisational skills, project management, decision-making, creativity and taking on responsibility • Vision, independence, experience, broader outlook and attitude • Problem-solving, coping strategies and risk taking • Patience, flexibility, adaptability, open-mindedness and humanity • Team work and team leadership skills • Fluency, accuracy and appropriateness of language competence • Mediation skills, conflict resolution, sensitivity, humility and respect • Forging of relationships and networks • Challenge to personal stereotypes, cultural relativism • Enhanced intercultural communication, conducting business inter culturally • Cultural empathy • Non-judgmental observation, respect for local values without abandoning one’s own • Cultural understandings, ways of thinking and adaptation to complex cultural environments 	<ul style="list-style-type: none"> • Self-awareness • Initiative and enterprise • Willingness to learn • Planning and organising • Integrity • Commitment/motivation • Problem-solving • Flexibility • Self-management • Team work • Communication skills • Foreign languages • Networking • Leadership • Customer service • Interpersonal skills • Intercultural skills

Figure 1. Key skills comparison. Adapted from *Employability internationalisation and employability: Are we missing a trick? How do employers value international experience? Prepare your students for the global job market EAIE Dublin 2012* Conference Report, 2012, EAIE.

The commoditization of higher education (cf. Knight, 2006; Powar, 2013), which is but an outgrowth of globalization, has caused its beneficiaries to view it as a service good which can be called upon to demonstrate its value in terms of career opportunities that it proffers. In response to this shift, those who hold stakes in higher education are driven to incorporate additional skills and competencies that are likely to increase job prospects. It is widely established and not mere anecdotal observation that those students, who have the comparative advantage of

international education, even in a small measure, enjoy more employability in the global job market (EAIE, 2012). This is attributable to a variety of factors, such as increased level of comfiture in multi-cultural environment and higher awareness of global trade, finance and industry operations. The benefits are not limited to better understanding of foreign work culture: students with international education are more confident and self-reliant. They are more willing to avail of opportunities in foreign businesses. As part of workforce, they are more likely to flourish in the face of adverse and unfamiliar situations that pertain to interactions with foreign business associations and cross-cultural adaptations. Moreover, students who have received exposure to international education have wider intellectual horizons and a greater ability to appreciate other perspectives that might come their way in their professional career. For this reason, these students exhibit more refined decision-making and problem-solving skills—core skills that are relevant in all industries (cf. Ruben & Kealey, 1979).^{vii}

Trans-national education opens newer academic and research vistas that might not be available in home countries. It offers students more to choose from as well as opportunities to test out these areas. In addition, the experience of interactions with academics, industry experts and recruiters translate into better opportunities to network and make professional associations. Thus, cross-border education affords to students the opportunity to secure better career prospects and succeed in professional lives.

As important as they are, the benefits of international exposure in education and practical experience go beyond students. The higher education institutions also benefit from internationalization. It results in more revenue generation, cross-fertilization of academic and research intellectual knowledge and stronger brand standing. The advantages to nation-states are manifold too. It strengthens politico-diplomatic ties between countries, fosters goodwill and brings about familiarity and understanding of foreign people (Nye, 2005; Powar, 2012). The presence of foreign students also helps generate development of businesses and support services around higher education institutions to cater to this group (Whitaker, 2004).

Globalization, by opening hitherto unattainable avenues, results in newer opportunities as it does mounting competition. The present job market is marked by an alarming degree of unsettledness; emerging nomenclature such as migrant and contingent workforce underscores the adaptability and capriciousness of professional lives. The present worker is one who characteristically changes jobs—across a wide range of dimensions such as industries and countries—at an unprecedented rate. Furthermore, businesses are expanding their presence in emerging markets, which means that international assignments and partnerships will only grow more. Correspondingly, employers exhibit preference for those workers whose skill set expands over a wider area to include critical thinking, effective communication etc. It is, therefore, important to integrate transferable and cross-cultural skills along with job-specific know-how.

3. Conclusion

In conclusion, internationalization is the *Zeitgeist* of the present graduate labor market. The whole exercise of international education hinges on the added value that it presents. As has been discussed in this article, the advantages of international education in a globalized world are manifold and cannot be overstated. The higher education institutions must stay abreast of the developments in academics, research and recruitment in other countries, and collaborate internationally. Globalization necessitates trans-national networks and exchanges across the board and higher education institutions are no exception to this.

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Notes:

ⁱ "The results of globalization include the integration of research, the use of English as the lingua franca for scientific communication, the growing international labor market for scholars and scientists, the growth of communications firms and of multinational and technology publishing, and the use of information technology (IT). IT facilitates communication; permits efficient storage, selection, and dissemination of knowledge; and allows providers to offer academic programs through e-learning" (Altbach & Knight, 2007, p. 291).

ⁱⁱ Globalization typically makes reference to "the broad economic, technological, and scientific trends that directly affect higher education and are largely inevitable in the contemporary world." Internationalization, on the other hand, has more to do with the "specific policies and programs undertaken by governments, academic systems and institutions, and even individual departments to deal with globalization" (Altbach, 2006, p. 123). . . one of the key distinctions between the two concepts is the notion of control. Globalization and its effects are beyond the control of any one actor or set of actors. Internationalization, however, can be seen as a strategy for societies and institutions to respond to the many demands placed upon them by globalization and as a way for higher education to prepare individuals for engagement in a globalized world. Indeed, internationalization has been conceived in many quarters as a necessary "process of integrating an international, intercultural, or global dimension in the purpose, functions, or delivery of postsecondary education" (Knight, 2003, p. 2).

ⁱⁱⁱ The literature on internationalisation of higher education often goes into great detail about the concept and definition of internationalisation. De Wit (2002, p 114) gives cogent reasons as to why such attention is useful:

It is not helpful for internationalization to become a catchall phrase for everything and anything international. A more focused definition is necessary if it is to be understood and treated with the importance that it deserves. . . Internationalization needs to have parameters if it is to be assessed and to advance higher education. This is why a working definition in combination with a conceptual framework for internationalization of higher education is necessary.

^{iv} Knight's definition is arguably the most widely endorsed description of internationalization. Hans de Wit (1993) validated the definition on the grounds that Knight's approach was "process oriented . . . more global and neutral and . . . is a more bottom-up and instruction-oriented . . ." (as cited in Knight, 1994).

^v "There is a view which distinguishes between globalization and internationalization on the grounds that the former is taken up with the tentacular spread of economic hegemonism whilst the latter is concerned more with spreading the principle of equity between nations and peoples" (Neave, 2001, as cited in Powar, 2013).

^{vi} Teichler (1999) notes that the economist's research is predominantly guided by the "manpower requirements approach and the human capital approach (cf. Psacharopoulos 1987; Caroy 1994)".

^{vii} Seven interpersonal communication skills often mentioned as being important to cross-cultural adaptation were studied: empathy, respect, role behavior flexibility, orientation to knowledge, interaction posture, interaction management and tolerance for ambiguity.