

# British Universities in China: The Reality Beyond the Rhetoric

## An Agora Discussion Paper

Edited by Anna Fazackerley



# STRAIGHT TALKING ON HIGHER EDUCATION

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# **British Universities in China: The Reality Beyond the Rhetoric**

An Agora Discussion Paper

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Anna Fazackerley & Philip Worthington

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## **‘To know the road ahead, ask those coming back’**

### **Anna Fazackerley – Director of Agora**

#### **China: Taking a Step Back**

The emerging power of China has acted as a starting gun for global higher education. Of course the international university is not a new concept. Ask almost any one of Britain’s 168 vice chancellors and they will insist their institution is locally, nationally and internationally excellent. (Unlike China, Britain remains unhelpfully squeamish about acknowledging differences within the system.) Yet the rapid growth of higher education in China, together with the realisation that the UK is financially dependent on a tide of Chinese students flooding into this country that could very easily be diverted elsewhere, have prompted institutions to think much harder about how they compete on the world stage.

However, much of this thinking remains alarmingly woolly. Reportedly one UK vice chancellor or pro vice chancellor a week has been landing in Beijing or Shanghai to explore future partnership opportunities. Yet there is no overarching strategy about what UK higher education should be trying to achieve in China in the long term – or what form these partnerships should take.

Agora believes strongly that if British universities are to establish meaningful relationships in China, we must stop and question what it is we are doing there, and what we are offering Chinese students in this country. It is also critical that we understand better what the Chinese government is trying to achieve in education: what their vision for the future is, and how Britain can profit from that. To this end we have interviewed six key individuals who have personal experience of higher education partnerships on the ground in China and Asia more broadly. We hope that their views, which include clear advice on how to build relationships with this huge and complicated country, as well as strong warnings about errors we are already making, will stimulate reflection and debate.

In addition we present case studies of three different models of UK-China interaction: the overseas campus (the University of Nottingham-Ningbo), the independent institution in China (Xi’an Jiaotong-Liverpool University), and the Sino-British joint degree programme (Queen Mary, University of London and Beijing University of Posts and Technology). Which will be the model of the future?

In the university sector internationalisation and globalisation are fast becoming meaningless jargon - indistinct badges to be used for marketing on an institution’s website. This is not good enough. Without some clear thinking, as several of our contributors argue, UK higher education could be undermined and overtaken.

#### **Are We Too Polite To Profit?**

Chinese universities may have some way to travel up the world university league tables that captivate and infuriate the sector. But it is clear that China plans to push to the forefront globally in higher education, and that this is why the Chinese government has welcomed partnerships with foreign institutions. If China is to catch up, and catch up fast, it needs to profit from the existing strengths of other nations.

In the new world of globalised higher education the concept of profit is an uncomfortable one. Perhaps in part because of ingrained notions of propriety, and in part because of our embarrassment about our imperial past, UK vice chancellors are anxious to stress that they are venturing into China as much out of altruism as for commercial gain. Contributing to the global good is of course a necessary and laudable mission for a university. The University of Washington, which is ahead of the game in its thinking on how to make internationalisation work on a practical day-to-day level, has as part of its international mission statement:

“Learn more than we teach, Leave more than we take”. This is vital. By working together universities have a unique ability to have a serious impact upon many of the big problems the world faces.

However, if we rush blithely into China without a definite idea of how we will profit from our partnerships we will almost certainly regret it in the long-term. Professor Ian Gow, an expert on Asia and founding provost of the University of Nottingham-Ningbo, the most avidly observed Sino-UK venture, warns in his Agora interview that British universities must stop pussyfooting around this aggressively ambitious country. “Make no mistake,” he says. “China wants to be the leading power in higher education, and it will extract what it can from the UK.” We would be foolish not to see the emerging power of China as an opportunity – but it is also a serious threat that must be stared squarely in the face.

### **The Rise and Rise of Higher Education in China**

China now has almost 24 million students in higher education. The past decade has been one of fast and targeted change. The country launched its higher education expansion project in 1999. That year it enrolled 1.6 million students – a massive 48 per cent increase on the previous year. In 2005 Chinese colleges and universities took on 5.04m students – five times as many as in 1998.<sup>1</sup>

There are now 1,792 higher education institutions in total in China. However, whilst this scale is impressive it is perhaps what is happening at the top end that is most striking in terms of competition. Politicians in the UK may be fearful of the implications of pushing an elitist agenda, but China has no such qualms. In 1997 the government launched ‘Project 211’. This involved channelling cash into 100 elite institutions with the aim of developing advanced scientific disciplines and fuelling innovation. A year later this was extended with Project 985: funding for an even smaller group of select universities (nine in the first phase and 38 in the second) focusing upon re-orientating research priorities, improving research facilities, and ramping up collaboration and innovation.<sup>2</sup>

The key to much of this expansion – and to much of the threat posed by China – is science. While some UK institutions have been forced to axe struggling physical science courses because student interest has dropped and public funding is no longer sufficient to prop them up, the Chinese government has placed science and technology firmly at the top of the agenda, backed up by phenomenal investment. Almost six in ten undergraduates in China are studying science and engineering, compared to just over three in ten in the UK. The number of science and engineering PhDs doubled between 1996 and 2001.<sup>3</sup> Outside of the university sector the state owns a staggering 4,000 research institutions, under the umbrella of the Chinese Academy of Sciences.

It is becoming apparent that one of the main uses of British universities to China will be their expertise in science and engineering. It is significant that the University of Nottingham-Ningbo campus was originally envisaged by Nottingham as a sort of Liberal Arts College, but it is now shifting more in the direction of science. Modern scientific research is of course a firmly global pursuit, and collaboration in science across countries is essential. But in venturing into China should we, as Professor Gow suggests, be more protective of our scientific talent and our scientific IP? Are we handing over our strengths too readily?

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<sup>1</sup> See *The Chinese National Development and Reform Commission* - <http://en.ndrc.gov.cn/>. *The Times Higher Education Supplement* reported these statistics in the following article - [http://www.thes.co.uk/search/story.aspx?story\\_id=2030510](http://www.thes.co.uk/search/story.aspx?story_id=2030510)

<sup>2</sup> Professor Jiaan Cheng, former vice president of Zhejiang University, outlined the Chinese government’s priorities for HE at the Agora seminar *HE Britain and China*. For Professor Cheng’s slides, as well as all the other slides from the seminar, see <http://www.agora-education.org/events/past.php>.

<sup>3</sup> For further discussion on the development of the Chinese HE system, see ‘The China Connection’, Professor Hugo de Burgh’s introductory chapter to Agora’s book, *Can the Prizes Still Glitter? The Future of British Universities in a Changing World* (The University of Buckingham Press, 2007), pp. iii – xiii.

Implicit within this targeted expansion is a warning that things could be about to get much harder for foreign universities that wish to partner with China but do not qualify as elite. Reportedly the Chinese government is keen to tighten up foreign partnerships so that China does not become a free ride for everyone who wants to clamber onto the international bandwagon. Increasingly it appears that the best institutions will be restricted to partnering with only the very best players abroad.

A top British scientist currently working in Singapore told me that he was shocked by the frequency with which he heard the same mantra about the UK universities that matter – “Oxford, Cambridge, Imperial, and University College for neuroscience”. China may be a little more broad-minded. But as David Pilsbury points out in this paper, brand will be crucial, and the difficulties for less famous universities will only intensify when the big American players decide to make a real foray into China. If you don't have an impressive brand name, then you will have to have something equally valuable to put on the negotiating table.

### **Overseas Campuses: Are We Over-Reaching?**

It is clear that many in the UK believe overseas campuses – the most tangible realisation of your institution's brand in another country – are the obvious way forward. And there is a rush to be one of the pioneers of this model in China. As an indication of the scale of this excitement, in London alone five institutions have been engaged in talks about setting up a campus in China (though not all will proceed). Officially, the door was shut behind the universities of Nottingham and Liverpool, the first to be allowed to set up institutions in China. In April 2007 the Chinese government stated that it would, in principle, allow no further foreign campuses in China until it had had a chance to assess the success of these first two ventures. However, as Andrew Halper, China partner at Eversheds law firm, argues later in this paper, ‘in principle’ leaves room for a change of direction should anyone present a sufficiently convincing case. The Chinese are keen to develop their Western regions in particular and such negotiations are already underway.

Nottingham and Liverpool's Chinese institutions are brave ventures. All eyes are currently on both institutions to see how they will fare. Excitement and more negative speculation have inevitably been fed by a lack of readily available information about the exact nature of the deals and how they are performing, due to commercial confidentiality. Nonetheless many want to follow in their footsteps.

There is no doubt that an overseas campus is an extremely high-risk experiment. Liverpool has avoided the obvious financial gamble by creating a stand-alone institution with funding from an American commercial backer rather than from its own coffers. Yet as Professor Michael Shattock, visiting Professor of HE Management at the Institute of Education, argues, the risks go beyond cash. Not least, the home institution will have to cope with the temporary loss of its senior management team, as they fly out to China regularly to negotiate, build relationships and deal with any problems. And while a UK institution can work hard to safeguard all-important quality standards, a research reputation cannot be grown overnight.

Singapore offers a sobering warning to all those tempted by the glamour of an overseas campus. The ambitious city-state has been fighting to establish itself as a regional hub for HE, offering education to the best students in English, and foreign campuses are central to this mission. However, in May this year the University of New South Wales, whose marketing banners were impossible to miss if you visited Singapore, pulled out of its campus after only three months of operation. The university blamed rising costs, an inability to reach agreement with its partner, the Singapore Economic Development Board, and insufficient student interest. It seems the lure of the Australian brand lost some of its shine when taken away from the surf of Sydney and transplanted amongst the shopping malls of Singapore. The vice chancellor of UNSW, Professor Fred Hilmer, told a newspaper at the time: "The idea was to have a new campus with 10,000-plus students and we could see that was many, many years into the future and it just wasn't going to happen, and if you

look at foreign campuses generally they struggle to get to 3,000.”<sup>4</sup> There has been speculation that pulling out will cost the university tens of millions of dollars. The reputational cost will be harder to pin down but probably no less damaging.

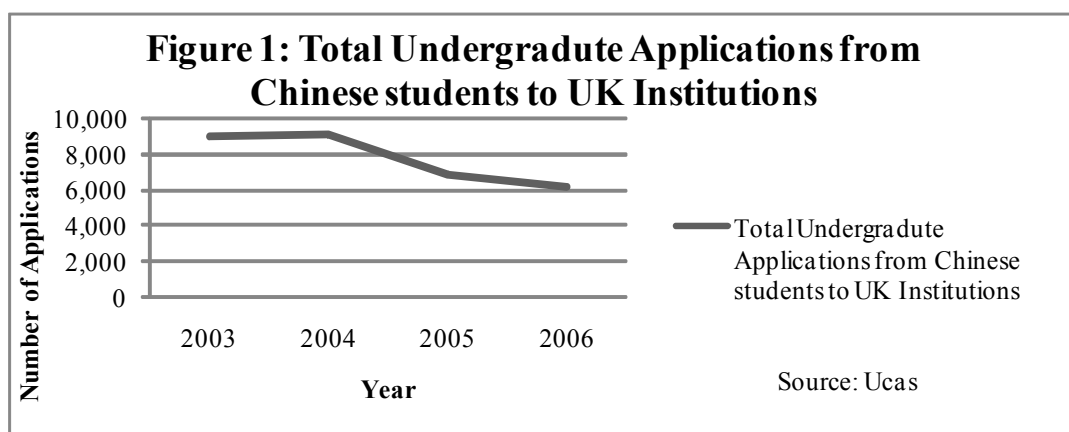
This experience reminds us that to some degree overseas campuses are a leap in the dark. First, your partner is likely to be an unknown quantity, operating within a legal and cultural system that you may not fully understand, with the potential to move the goalposts just when you thought everything was settled. And second, your calculations about how many students and staff you will be able to attract may prove alarmingly optimistic. Staff within some schools of the University of Nottingham have embraced the Ningbo venture with excitement, but others seem much more reluctant to get involved. At present the University of Liverpool reports that only about a dozen of its staff are seconded to the Chinese institution. Both hope that numbers will grow as their Chinese institutions mature. However, Professor Gow warns that tempting out sufficient British staff to work in the new Chinese institution will be the greatest challenge that institutions setting up outposts in China will face: a hurdle that may prove insurmountable.

The fact that the UK higher education sector is eagerly awaiting a progress report on Nottingham and Liverpool’s Chinese ventures underlines one of the most serious misconceptions of all. Institutions who enter China looking for a quick reward will almost certainly be disappointed. As Professor Shattock emphasises, setting up a campus abroad is a 10 or 20 year undertaking. British institutions need to think hard about whether they have the resources and the gumption to stay that sort of course.

### Still Cash Cows? Chinese Students in the UK

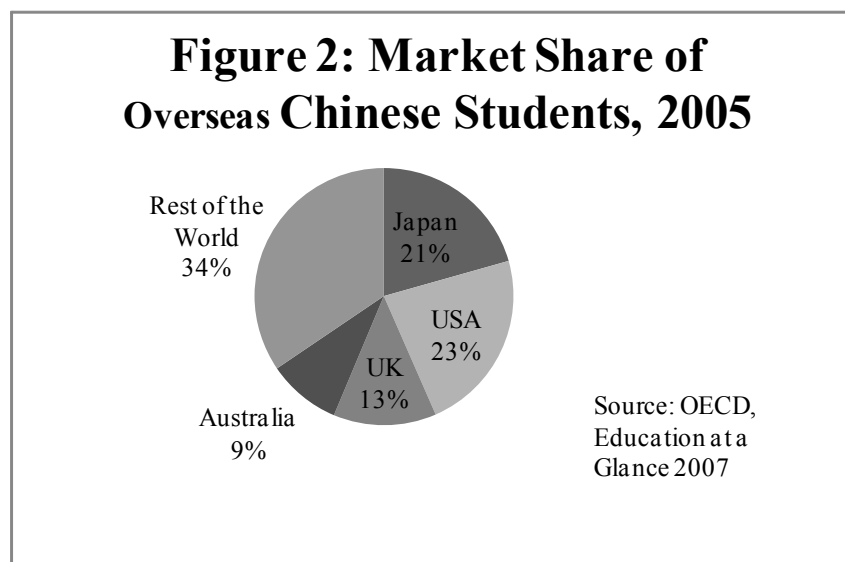
Chinese student recruitment figures currently look reassuringly healthy. Yet there is no room for complacency. When the number of applications to UK universities from Chinese students dramatically dipped in 2005, many institutions became uncomfortably aware of how financially dependent they were upon a market that could disappear if not tended to [fig 1].

The US continues to take the lion’s share of the Chinese overseas student market [fig 2] – although the big US universities are not as beholden to international student income as most UK universities are, and many take Chinese students at a financial loss.<sup>5</sup>



<sup>4</sup> *The Australian*, May 24<sup>th</sup> 2007. <http://www.theaustralian.news.com.au/story/0,20867,21784886-12332,00.html>

<sup>5</sup> The Council for Industry and Higher Education, *Global Horizons for UK Universities* (November 2007), pp. 9 -17.



We have all heard the stories about ambitious Chinese families who are willing to invest great sums in order to have their offspring educated abroad (and especially if those offspring are unable to get into the elite institutions at home). However, UK institutions are now realising that there are other countries that might prove just as attractive, if not more so. Professor Jian Cheng, former vice president of Zhejiang University, told delegates at the Agora seminar on China that it was often a “no-brainer” for Chinese students and their families to choose the US over Britain, because there were more scholarships on offer and employment prospects were perceived to be much better. Moreover, in the future Chinese students seeking an education in English need not incur the expense of travelling abroad at all. The top institutions are now being encouraged to develop courses in English. This will not only divert Chinese students who might have come to the UK, but also, increasingly, will attract students from other countries including Britain.

Meanwhile the landscape will change further as commercial players move eagerly into the lucrative Chinese student market. Both Kaplan (the US private education firm currently reaping a revenue stream of \$2 billion a year) and Laureate Education Inc (the University of Liverpool’s commercial backer in China) have announced an intention to significantly expand their presence in Asia, with China an obvious target.

There are fears that in order to meet ambitious student recruitment targets some UK institutions have been accepting foreign students who do not have the language ability to cope with their UK degree course. It is unclear to what extent this is happening – but it is certainly a dangerous short-term strategy. Quite apart from the potential impact upon the rest of the student cohort, foreign students who struggle to keep up, and who are disappointed with their final performance, are unlikely to return home brimming with praise for their UK institution. And, as most universities are now painfully aware, marketing trips to China and captivating websites are all very well, but ultimately student recruitment from China will succeed or fail based largely upon personal recommendations and reported experience.

As Professor Rebecca Hughes, Director of the Centre for English Language Education at the University of Nottingham, explains in this paper, there are helpful strategies for supporting Chinese students while they learn (and these should include encouraging them to expand their student experience beyond cramming in knowledge in order to pass exams). But taking on students whose language is not up to speed, with the intention of helping them along with remedial English training while they study, marks them out as sub-standard members of the course, when they might in fact be academically superior to some of their fellow students from the UK.



There is a growing body of research suggesting that international students want much more from their student experience. It is clear that we need to review previously accepted practices, such as assuming that all foreign students will be happiest living apart from the home students in their own accommodation. A recent report by the Council for Industry and Higher Education and I-Graduate showed that the UK is lagging behind competitor countries on its efforts to integrate international students.<sup>6</sup> Research carried out by Professor Greg Philo, head of the Glasgow University Media Group, for the British Council, suggested that Chinese students were all too aware that they were being used as a rather cynical fundraising opportunity. One Chinese student summed up this feeling of resentment: “People are treated differently – students are not made welcome – they are there just for money. In the classes, most students are Chinese, but the teacher communicates with the Europeans more.”<sup>7</sup>

Like it or not the arrival of top-up fees has exacerbated awareness amongst UK students that they are customers who can expect and demand a certain quality of experience. If this culture shift has not yet extended to all parts of the international student market – where fees are of course much higher - it will soon. Key Australian institutions are working hard at improving their pastoral care for international students – and encouraging home students to buy into the concept of a globally integrated campus. For now, Chinese students may be willing to pay high fees for the chance to get ahead in the competitive job market by studying at a UK institution, but if we do not deliver a product that is worth buying we should assume that our Chinese customers will take their fees elsewhere.

UK universities often claim to be international simply because they recruit a large number of foreign students. However, unless those students are properly integrated into the university, mixing with and having an impact upon the home student cohort, such a claim is unjustified and misleading.

## Conclusion

Professor David Eastwood, the chief executive of the Higher Education Funding Council for England, said at a recent Worldwide Universities Network conference that globalisation is an arena “where the bold will be rewarded and the timorously traditional will find the tide receding”.<sup>8</sup> He is right. The expansion of higher education in China ushers in a new era for UK universities, which we hope will be met with some fresh thinking – about the nature and purpose of international partnership, and about how we create campuses that can really claim to be global communities. Yet we must not become victims of our own hype. Institutions must not be swept into China without proper thought. If we are to negotiate the tide of global competition, boldness is crucial, but so is sensible navigation.

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<sup>6</sup> I-Graduate and the Council for Industry and Higher Education, *Does the UK Lead the World in International Education: A Comparison of the International Student Experience in the UK*, (June 2007).

<sup>7</sup> G. Philo, *Cultural Transfer: The Impact of Direct Evidence on Evaluations of British and Chinese Societies*, (Glasgow University, June 2007). For further interviews with Chinese students on their experiences see B. Lamb, ‘Foreign Students: Their Effects on UK Higher Education’, in Agora’s book *Can the Prizes Still Glitter? The Future of British Universities in a Changing World* (The University of Buckingham Press, 2007), pp. 10 – 24.

<sup>8</sup> Professor Eastwood spoke about globalisation and universities, encouraging institutions to embrace innovative partnerships, at the Worldwide Universities Network conference, *Realising the Global University*, on November 15<sup>th</sup> in London.

## Removing the Rose-Tinted Spectacles

### Professor Ian Gow

*“The Chinese no longer have to persuade, they seem to have everyone eating out of their hands. The pull factor is being replaced by a push from the foreign institutions. But we are not thinking sufficiently about how to engineer a win-win situation.”*

Professor Ian Gow OBE is Pro Vice-Chancellor of the University of the West of England. He was the founding Provost of The University of Nottingham Ningbo, China (2004 - 2006), former Vice-President (Asia) of The University of Nottingham and formerly Dean of The Nottingham University Business School (1998-2003). He was founding Director of the Institute of Contemporary Chinese Studies at The University of Nottingham and was the lead academic on HEFCE's Sino-UK Management of Change Project.

### China: Threat or Opportunity?

Much of the discussion about China in the higher education sector is missing the point. The reality is that when it comes to higher education, China may be more of a threat than an opportunity. There is no question in my mind that China is aiming to become - and is well on the way to becoming - the new global hub for higher education. I am not saying that we should not get involved with China. However, British institutions must stop viewing this aggressively ambitious country through rose-tinted spectacles. Make no mistake: China wants to be the leading power in higher education, and it will extract what it can from the UK. In particular they want to benefit from our strengths in science and technology, and to absorb our talent and our intellectual property. I think handing over our research in these key areas is incredibly naïve.

There is evidence that only top institutions in China will be allowed key strategic partnerships and they will be urged to make all future partnerships with top 20 foreign institutions. Meanwhile Chinese universities are continually being instructed to increase modules and degrees taught in English. This big push for institutions to switch to teaching in English is not only a threat to our ability to recruit students from Asia Pacific, but it also means westerners can now study in English in China much more cheaply than they could here in the UK. Vice chancellors have to be far more aware of China's plans for HE in English and at least consider whether it is a threat or whether, by careful and continual recalibrating, it can continue to be an opportunity.

UK institutions are rushing to partner with China but the risks are very considerable. They are capable of gaining more from the partnerships than we are if we do not do our homework properly and negotiate a win-win situation. At present we may procure a short-term win, but without thought will lose out in the end. It is not enough to hope it will all be ok in the long-term.

### Setting up a Campus: The Reality

Under 2003 law, joint foreign ventures must have at least a 50/50 control share between China and the foreign institution. The president must also be Chinese. However, the real issue is not the legal requirements, but the fact that China frequently reinterprets what they mean. Plus they have laws for Sino-foreign joint ventures but no enabling regulatory frameworks, which means they default to the older higher education regulatory systems where China has much more control. I think it is unlikely that any other institution will negotiate the sort of freedom that the University of Nottingham and the University of Liverpool achieved. It is much more likely that institutions will come in and teach and research what the Chinese want them to

teach (science and technology) and where they want them to teach it. Officials are keen to push all new projects towards the under-developed Western provinces.

Many UK vice chancellors and other senior managers go over to China where they are wined, dined and courted, and given the impression that this is a wonderful place to work. They therefore tend to assume that everyone would think that going to China to work would be very attractive. This is an error. The day-to-day reality of working longer term in China is much tougher. There is a world of difference between a brief senior management tour and longer term working in China with all the difficulties that entails.

The biggest single problem for any institution setting up a campus in China is continually securing enough high quality staff able to teach in English to the highest levels. Inevitably only a small number of people will be excited about an opportunity to leave the UK to work in China. Many academic staff do not want to work abroad at all, and some might like an experience working elsewhere but would not go to China for ideological reasons. Of those who might consider coming, some will have family commitments that might prevent them. New campuses have to compete with elite Chinese institutions for this limited pool of people. Generally it is easier to persuade people to spend one semester in China for two or three years, but this is not the vision that the Chinese have. Chinese students (and their opinionated parents) want western faces if they are paying the higher fees. The Chinese government want us to send our top research staff – especially core research staff in the sciences – to work full-time for three years or longer. There is a reluctance to let foreign institutions hire Chinese academic staff, even if they are outstanding Chinese academics currently working at your home institution. Top research academics who come to China have to carry out much more onerous and time consuming academic administrative duties than back home, and therefore their research output often suffers. When such stories are fed back to colleagues in the UK it is inevitably off-putting.

Vice chancellors must be very careful not to get sucked in too quickly to agreements. Often when confronted with the next stage they will find the agreement has apparently changed - partners are very adept at changing direction because “Beijing said no”. When the new venture has attracted publicity, suddenly your exit costs become very high: you are risking alienating a very powerful country and driving away Chinese students who might come to your university. And withdrawal could mean a serious loss of face for your vice chancellor. These costs are such that if things do not go according to plan many institutions may have to stay in but with an uncomfortable compromise. Most importantly universities need to remember that in China the agreement is the beginning of the negotiation.

### **Helping the Competition?**

There are certainly big opportunities in China. However, there is not enough thought within institutions, government, or the Higher Education Funding Council for England about how we protect our advantage. The Chinese are expanding fast and we are rushing in to help them catch up and possibly surpass us. They are working hard to stop student outflow and to attract foreign students. The Tsinghua University masters programme in Chinese law, which is taught in English, attracts more than half of its students from abroad. Students can get MBAs or other masters or undergraduate degrees for a lot less in China - enjoying a combination of lower fees and a very low cost of living. These students will have the added benefit of learning Chinese and making connections in one of the world's most important countries. Another emerging issue that people are missing altogether is the growing number of millionaire Chinese ex-pats who may be keen to help set up Chinese campuses abroad.

We seem at times to be falling over ourselves to partner with China, but in the process we are feeding a major competitor. It may be that we have to do this in order to compete and collaborate. Yet there must be some strategy to ensure that we can win. British universities should not be in China as a government tool for furthering Sino-British relations. They should have an eye on the competition, on their own reputation, and

on generating surpluses to develop their academic strengths further. Learning to manage reputational and financial risk is paramount if British institutions are to maintain or strengthen their global competitiveness.

Watching the new changes in the Sino-foreign higher education joint venture legislation and its administrative guidance – and how they interpret that legislation - is very worrying. The Chinese government are allowing foreign partnerships, but with the Chinese institution very much in control. The University of Nottingham's Ningbo campus and The University of Liverpool's joint institution with Xi'an Jiaotong University are two brave attempts at partnership with China. Yet this is a model that is unlikely to occur again, unless a world class US institution manages to get through. The institutions currently negotiating entry will gain it on Chinese terms, with the Chinese very much in control. The Chinese no longer have to persuade, they seem to have everyone eating out of their hands. The pull factor is being replaced by a push from the foreign institutions. But we are not thinking sufficiently about how to engineer a win-win situation: we are simply rushing to establish any sort of partnership, to get out there. Unless emerging Sino-UK strategic alliances are better thought through, British higher education could be sorry.

## **Building Relationships, Not Assets**

### **Dr David Pilsbury**

*“That is the challenge for British higher education: to embrace the opportunity to rise to the challenges of the 21<sup>st</sup> century. We can be a Rover or a Mercedes: the choice is ours.”*

David Pilsbury is Chief Executive of the Worldwide Universities Network, a partnership of 16 research-led universities from Europe, North America, South East Asia and Australia. Before joining WUN in 2001 he was Head of Research Policy for the Higher Education Funding Council for England, and prior to this he was Assistant Director of Research and Development at Cambridge University Hospital.

### **The 'Globalised' University**

There is enormous hyperbole around the internationalisation of education, but most institutions around the world are struggling with what being a 'globalised university' actually means. There are no accepted criteria or definitions and few individuals or institutions have any real sense of what to do, apart from recruiting overseas students and seeking to put in place a diversified faculty body. This is all happening against a background of increasing global competition - for talent and for students. If people think it is hard work maintaining their competitive position in a UK context, it is nothing compared to what they will increasingly be required to do on a global basis. Flying to China twice a year, having some interesting chats, being feasted by their hosts and coming back none the wiser about how to engage substantively with Chinese universities, as some institutional leaders do, is not being international.

A further problem for some UK institutions is an obsession with simple and out of date models for prosecuting their international mission. They cling to an asset-based model, talking about setting up an overseas university without thinking why you would you want to set up a bricks and mortar facility 5,000 miles away with all the operational challenges and opportunity costs that such a development brings. Is an overseas institution about financial returns (these seem elusive) organisational returns (marketing, branding, local intelligence - few seem to purposefully exploit their overseas presence in this way) or is it about intellectual returns? If the latter, I think it is essential that we recognise that the bedrock of a partnership has to be a deep and long-standing collaborative relationship with a university that is based around research, teaching interactions and synergies for mutual benefit. Setting up an overseas campus might be one way of doing this but it should be considered amongst a range of options with the pros and cons of each carefully considered – not as the only option simply because it is relatively easy to do. After all, as some have found, it is very hard to undo.

You do not need an overseas campus to build deep relationships that bring intellectual and organisational value. Whilst it is probably helpful to have some physical presence in the country, we need to recognise that the 21<sup>st</sup> century is the century for relationships. It is about peer-to-peer communication not imperial models and gatekeepers. And it is about mutual working and cooperation not simple exploitation - the race to the top has to be about long-term value creation for all the parties.

I do not understand why in higher education some have an obsession, an overwhelming obsession, with assets, with physical facilities and with perpetuating what often looks like a medieval model of doing

business defined primarily by “place”. We need new models – and it is time for some new thinking. I do not think that higher education benefits from the fact that it is essentially the last monopoly, as this means there are very few alternative providers that can introduce new models to maintain the vitality of the sector. I believe that we need something really different - like Direct Line, something that comes from leftfield and produces a very different model. What we need are new developments that get to the very heart of what a university is – reconceptualised for the 21<sup>st</sup> century - and which recognise that a university is not about place *per se*, but about a community, and that communities no longer have to be defined simply by time and geography.

### **Motivations for Involvement in China**

Engaging with another country simply to generate revenue has turned out to be an ineffective and financially unsustainable model. There is a lot of excitement about overseas campuses, but I do not think people should underestimate how difficult it is to make these ventures a success. As in many areas, those who have something serious to offer in China will do well, and those who have not thought through their mission and “offer” will not. The point is to know what your business is and I think we need to understand the market a lot better in China. We need a definite change of approach supported by evidence of the needs to be met.

Thus far we have benefited from our historic links to China. Consequently, we have recruited many Chinese students, who have generated substantial revenues for universities. But, increasingly, many new providers are looking to enter the market. Yet none of us actually knows what the Chinese government's attitude is in the medium to long term other than that they certainly do not want to be exploited. With China it is clear that we will continue to see an explosive growth in educational demand, and a rapid growth of people trying to satisfy that demand.

It remains unclear where the UK as a country, and where particular UK institutions, will stand in this. I think it will be very heavy going for those less highly rated universities that have a long history of recruiting lots of Chinese students, because people are increasingly becoming brand aware and there are very many more providers in the marketplace. Unless they have something that counter-weighs brands, for example an extremely high level of pastoral care or specific niches where they can fend off the competitive threat, then I think they are going to find themselves losing out. They will need to focus on those who cannot get into the best Chinese and overseas universities but are rich enough that they can choose not to remain in China.

### **Global Brands**

I recently travelled to China to meet colleagues at our two partner universities, Nanjing University and Zhejiang University. At the same time there was a 100-strong delegation from Yale at Peking University. The problem is, whether justifiable or not, that the world's eyes are often on those elite American brands, even more so than Oxford and Cambridge, because association with the elite US institutions is still felt to confer enormous benefits even if the interactions lack substance. This is despite the fact that some believe that Harvard could be considered a failure, when its impact is judged against the enormous financial and intellectual resources it has. It is also said to be found wanting by catering primarily to educating an elite. However, the fact remains that in terms of your life chances going to Harvard is a great decision. As these institutions turn more of their attention to China the problem of brand obsession is only going to get worse for those less highly ranked universities, unless they build ways of buttressing their competitive advantage and providing benefits that the elite brands do not.

### **Virtual Partnerships**

When we set up WUN we saw our USP in providing a global platform for faculty – whatever they wanted to do. We recognised that behind all the hyperbole about global connectedness and the rise of collaborative

working the reality was then, as it is now, that it is very hard for most faculty to find the time and money to develop substantive international collaborations. Plus even if they get a project funded it is very difficult to sustain the collaboration beyond the term of funding for that project. There are simply not enough hours in the day to lead or build a world class research group and keep abreast of all the latest developments taking place, and build substantive links with the all leading centres that might be relevant to broadly based interdisciplinary areas.

In this sense what we prefaced was the rise of networked science. There was the original model of solitary working, then we went to bilateral links, with two people collaborating, then we had the group interdisciplinary model, and the fourth wave will be networked science. There is absolutely no reason in the 21<sup>st</sup> century why you should need a physical facility like CERN to act as a focal point to cluster people around a problem. We already have the tools to facilitate the building of international, innovative, inter-disciplinary communities. Why should we not also have that clustering in the social sciences or in medieval studies? This is not to say that you can simply build and sustain communities entirely virtually: we still have people on planes, trains and automobiles, but it is time for some new thinking about how we generate problem orientated global communities focused on the grand challenges we face.

We have one very good example of this working in practice. We have a big weathering system science consortium that we are moving forward on a global basis, which span out of a virtual seminar series we ran. There was a twelve time zone live and interactive video conference, in which there were 500 people spread across 14 sites. One point about such fora is that there are no established ways of interacting – essentially there are no rules - so people feel they can be a bit more innovative and talk about their latest research rather than following the established, traditional seminar format. What happened in this instance was that a faculty member from Penn State talked about ideas she had developed for looking at soils in the same way that we look at climate, looking at it holistically, looking at the whole life-cycle of soils. She explained that soil is the most important resource we have after water and it is being destroyed a hundred times faster than it is being created, by erosion, urban development and contamination. People from other universities thought this was a really great intellectual framework, so we set up another virtual meeting to discuss the creation of this community. We funded a workshop in the US and a couple in the UK, and brought the UK, US and European funders to the workshops. A proposal was rapidly developed and submitted to the Natural Environment Research Council, and this was funded to the value of almost £2 million – though only for national collaboration in the UK. We made a subsequent bid to the European Union, got more money into the pot, and recently Penn State won a further \$5 million. So we now have, 18 months down the line, a truly global community working to address one of the absolutely central issues within the world, whereas eighteen months ago there was nothing. It grew out of something that was virtual and it was driven forward by a series of face-to-face, traditional interactions. It is now a hybrid of lots of virtual communication and some face-to-face meetings.

### **The Point of Global Partnerships**

There is a tendency for universities to collect partnerships and most of them have a raft of bilateral memoranda of understanding with many different universities, many of which are completely meaningless. It seems to me that what we need are communities across multiple institutions that have access to a range of resources and expertise that can be applied to an issue to make a substantive difference. There are other networks that have followed our lead as a research-led partnership that also embraces research mobility and eLearning, and others have morphed into this framework. But for reasons I don't understand – since what we do is not rocket science – they have not generated the same levels of faculty engagement or the same number of substantive communities. If you go onto a network's website and they have a record of only one meeting, one has to ask, is that a worthwhile partnership? The point about collaboration is that you have to have a clear purpose. I would like to see more networks succeed so that we can move past the entrenched view that "networks don't work".

**The Future: The Global Research Endeavour**

We are undoubtedly going to have a global research endeavour rather than the current approach of almost entirely nationally based research efforts. I believe we are also going to see a massive realignment to support engagement with the global south. Many of the challenges we face – from poverty to climate change – will require engagement with the southern hemisphere.

The 21<sup>st</sup> century is the network-century – in almost all areas of our lives we have seen the transformation brought by the concertinaing of the world through modern communication and transport technologies - why do we think higher education will be any different? There seems to be an assumption in higher education now that we have reached some sort of plateau, that this is how higher education is going to be forever more. Yet if you look back to how research was done 100 years ago it is clear there has been massive change, and there is going to be an absolute transformation between now and 2107.

The reason higher education is not changing as rapidly as other areas is partly that there are very few new entrants into the market at the moment. Another explanation is the apprenticeship system in higher education, which tends to perpetuate a way of doing business that is traditional and historic. I am not saying that this is necessarily a bad thing: and the problem with tinkering around with a diamond is that you can end up with a lump of carbon. But one might hope that with a bit of thought we can embrace new ways of doing things, because if we do not there will be others that do. British higher education has been described as being like a Rover car. Rover may have once been a global benchmark, but its selling point became little more than lots of stylish polished walnut and chrome, and in terms of its core purpose of going from A to B, it rapidly began to lag behind the competitors. The lack of innovation meant that it lacked the ability to compete with the premium brands, and of course it ended up being sold to China. That is the challenge for British higher education: to embrace the opportunity to rise to the challenges of the 21<sup>st</sup> century. We can be a Rover or a Mercedes: the choice is ours.



## **Navigating the Legalities**

### **Andrew Halper**

*“The whole thing is about knowing how to get in. China is like that - there are doors, you just have to know how to operate them and who to ask.”*

Andrew Halper is a partner and head of the China Business Group at Eversheds LLP. A fluent speaker of Chinese, Andrew worked in Beijing from 1991 to 1998. In addition to full-time practice, he has lectured in Chinese law at the University of Cambridge, the University of London-SOAS and the University of Oxford, and served for six years as a member of the Board of Directors of the China-Britain Business Council. He currently serves on the Executive Committee of the Great Britain China Centre.

### **The Legal Environment Since 1995**

In vocational and higher education there has been significant liberalisation. It is almost like we are dealing, in some respects, with a different country from the one that prevailed up to the mid-1990s. The arch-conservative nature of the State Education Committee (SEDEC) from that time stands in pretty strong contrast to the much more liberal, much more outward looking set of regulations in place today. It is a generalisation, but I think that there is greater receptivity in China at the official level to international cooperation in education. The whole scene has changed. It is much more open now than it was.

### **The Chinese Government's Approach to Overseas Involvement**

It remains paternalistic. That word sounds like a bad thing, but the notion of tutelage and supervision over the populous is not a foreign idea within Chinese governance. It is considered to be an entirely appropriate stance for the government to take: to assist its citizens and help prevent them being ripped off by unscrupulous operators. This appears to the Western point of view to be an intrusion by the authorities. But it has to be viewed fairly from another angle, that it is part and parcel of an old, traditional and long-standing approach to governance. So the biggest characterisation of Chinese higher education is that the government is always present in the issues. Even the handling of the commercialisation of higher education in China, through sales and marketing of programmes, has to be handled by Chinese companies and not foreign companies. The worry is that foreign companies will not have the interests of the Chinese customer at stake - they will over-sell, exaggerate and over-charge. I think that explains why foreign involvement is not welcomed in that area. But it is certainly welcome in educational provision itself.

### **Legal Control**

Legal control only takes you so far in China. If things go off the rails it can be complicated to assert your legal rights. However, legal structuring is very important because if institutions are not structured in a way that is a) compliant with Chinese law and b) seeks to take full, proper advantage of whatever possibilities exist under Chinese law for beneficial structuring of investments, then they are a) risking their money and b) running unnecessary risks in terms of compliance with the government. Furthermore, if you do have to try and enforce your rights then the legal system approach is not necessarily the best way. That is not to mean that structuring legally is not important - it is - but it is not necessarily the best way to enforce your rights. It

is usually better to do so through negotiation and discussion. Nonetheless, you must be soundly legally structured, or you will have a very poor negotiating stance. So you can have substantial legal control over what happens in a campus, but, while it can potentially protect you from a lot of negative things happening, it will not necessarily allow you to assert your rights in a straightforward way.

### **Misunderstanding the Legal System**

I think misunderstandings develop because it is difficult for people in the West to understand the value of sound legal structuring in a system in which you cannot really go to court very readily, as that would mark the end of the relationship. People then make a bit of a logical leap and assume that therefore the legalities do not matter at all, whereas in fact they do. So in some ways it is a contradiction in terms, but is nevertheless quite valid; the legal system will take you a certain distance but not all the way. I think people misunderstand this and, as a consequence, go too far and just reject any concern, or what they consider an excessive concern, with legal issues. That is a mistake. Who would want to run that risk, particularly in an environment where there is considerably more scope for official discretion in the application of law than is the case here in the UK or elsewhere in the West? You do not want to leave your flank exposed. If you go and see an official when you have problems he may say: "Well, I would really like to help you, but actually you are not structured in a way that is compliant with law; I am not sure how you managed to get away with this, but unfortunately I cannot help..."

### **Dealing with Profit**

You are allowed to recoup profit in the context of educational provision, but it is not called profit, it is called 'recovery of reasonable costs'. You really have just got to structure your arrangements, both substantively as well as in formal terms, to look right in contractual documentation, avoiding the word 'profit'. There has got to be a rational basis there for the assertion of the need for repayment of reasonable costs and expenditures. You have to cost things. Imagine that you have a joint venture in China. The respective parties (meaning the foreign party and a Chinese party) remain separate legal entities and then there is a third entity called the 'joint venture'. Instead of having the joint venture itself earn profits, you try as much as you can to structure it so that the respective parties - the Chinese party and foreign party - provide services under contract to the joint venture and receive payment for those services. Unlike the joint venture, the parties *per se* are not limited by the aversion to contemplate profit-making.

### **Interpreting Official Proclamations**

It is fairly common to have broadly worded legislative enactments that allow for considerable flexibility in application. That is not saying one thing and doing another, it is rather a deliberate approach to legislative activity which they think is very helpful, particularly given the constant transition phase which China is in. The past, including the very recent past, is rarely a very durable guide to the present, much less the future, so the approach that has been taken is to have vague legislation.

In that context, if you take the trouble to establish good relations with officials and make sure they understand why you are there and what you are trying to achieve in China, then you can often get interpretations that are effectively permissive of what you want to do. For example, when, in April 2007, the Chinese government stated that they would not allow any further foreign campuses in China, they used the phrase 'yuan-z shang', which means 'in principle'. What this means is that 'you really have to convince us, there will be exceptions potentially permitted, we are not saying absolutely no, but it is going to have to take some special circumstances'. They often do not say what those special circumstances are, so you have to start approaching officials to try to find out from them what it is exactly that they are worried about and therefore what you might be able to propose that would address their concerns. So when I see the phrase 'yuan-z shang', I know that there may be a possibility of doing it.

There is a wonderful bar in Shanghai and getting in is complicated: there is something like a telephone pad with three rows of holes - it is all very high tech and modern. There are holes for nine numbers, slightly bigger than fist size and you have to know which numbers to press. There is no other way in and when you get it right, a massive blank steel door - which you could not even see was there - slides open. This is a metaphor for China: the trick is that you have to shout down the stairs to the ragamuffin cigarette vendor who is hanging out there and say to him in Chinese “what is today's code” and he always knows and you get in. So the whole thing is about knowing how to get in. China is a bit like that - there are doors, you just have to know how to operate them and who to ask.

### **Cultural Awareness**

Cultural awareness is vital. Many people go into China without knowing what the protocol for the Chinese meeting is, how to read the signals and the signs, how to deal with the invitation to dinner afterwards, how to deal with the dinner, how to know when to end the dinner, how to know that the guest ends the dinner and at what time and so on. This is not that hard but it makes a huge difference in terms of raising the comfort levels of both the foreign and Chinese parties and avoiding unnecessary frictions. It is not that people are not good business people in China. They will operate on the basis of the bottom line of a deal is a deal and price, quality and delivery terms, but they still want to do business with people that they are comfortable with. You have got to play the game as much as possible in China. You cannot really be Chinese: I do my business there in Chinese, but nobody ever forgets that I am a foreigner. However, you can acclimatise yourself.

### **The Most Common Mistakes**

One of the biggest mistakes is excessive conformity to the Chinese way of deal-doing. There is a Chinese predilection for relatively loose, relatively poorly defined agreements that allow an enormous amount of flexibility. The theory is that details will work themselves out if there is a good relationship, whereas if there is not a good relationship then no amount of paper will solve the problems. This is very seductive talk. But it is a big mistake to fail to enter into sufficient detail. I use 'sufficient' because you do not want massive contracts, but you do not want Chinese style ones either. So the trick is to find an elegant and concise way of expressing what you want to say.

The second mistake is failing to carry out due diligence - to really, really drill down into what the Chinese party is saying to you, what its asset base is, even in education. If you are building a greenfield campus you need to know that the land that the campus is sitting on is actually owned by the institution that you are doing business with and you need to know that that land is vended properly into the joint venture. These are really basic things that apply to all forms of mergers and acquisition-activity or business establishment in China. It is just good common sense applied in a Chinese context.

The third mistake is allowing government relations to be handled by the Chinese party. This is a really common error. Foreigners come in and think they do not have the connections in the government, whereas their Chinese partner does, and therefore encourage their partner to deploy their connections and sort out all the government relations. This is a fundamental error in my view. Of course the Chinese partner will be far better connected than the foreign party ever will be, but what it means is two things. First, the Chinese party becomes the conduit of information from the government, so you never really know whether what you are being told is the whole story. Secondly, if at some point in the future you get into conflict with the Chinese party or you simply, as an institution, want to do more than you are doing, you will need the support of officials. They need to understand fully what is special about you and your institution, what you are bringing to the table, and what you are contributing to Chinese development by being there. Imagine you have a falling out with your partner or a problem that could potentially be resolved with some official intervention. Why should officials bestir themselves to help when you have never bothered to go and develop a

relationship with them? This is not about illegality or secret packets of money: developing relations is not a code word for corruption. Corruption is a complete no-go zone in China, as anywhere else.

Overall, implicit in all these comments is the problem of just failing to prepare oneself to do business in another culture. Resolving this means acquiring some cultural knowledge and does not mean you have to learn how to speak Chinese. It means getting properly briefed on the realities of Chinese culture; its regulatory and governmental culture as well, and also its traditional courtesies and etiquettes. One does not have to fake it and pretend to be Chinese - they will understand that you are not. But you have to know how to do business there. And that means understanding the culture on a deep level.

## **Overseas Campuses: The Management Perspective**

### **Professor Michael Shattock**

*“To start building a research base from scratch in places like Singapore or China is an extremely difficult, if not impossible, task and is almost certainly liable to lead to overstretch and disappointment.”*

Michael Shattock is a Visiting Professor at the Institute of Education, University of London. He was formerly Registrar of the University of Warwick. His major recent books are *Managing Successful Universities* (2003) and *Managing Good Governance on Higher Education* (2006). He has wide international experience of advising on higher education and management issues. He is currently Editor of the OECD Journal "Higher Education Management and Policy" and in 2003 chaired the OECD Review of Irish Higher Education.

### **The Case Against Overseas Campuses**

In my opinion setting up overseas campuses is a strategic mistake. They involve a huge commitment of time and resources, and they are a diversion from the core business of running your university.

There is certainly a degree of excitement about getting involved in China and the importance of partnering with China should not be underestimated. The question is whether, after the initial excitement, there is a sufficient community of interest to make the enterprise a long-term proposition. Too often universities have formed partnerships in China without sufficient long-term planning and no clear prospect of what they want to achieve.

I think the biggest risk, the big question mark, is the effect overseas campuses have upon the home institution. The University of Nottingham has two overseas campuses [in Malaysia and China] and both of them are clearly very important to the university. But how do you make sure that those campuses prosper, when you have a very big and prestigious university to run back home? I think there are risks for Nottingham in overstretching. It is very hard both to sustain a campus over a long period and for it to be able to retain the character of the home institution. I think it is also very difficult to try and run two overseas institutions. It is job enough for Nottingham to maintain their position as a very strong British university, bearing in mind all the competition there is nowadays. Yet now at the same time they are sending their senior people over to China and Malaysia to try and do the pretty formidable job of creating a campus of similar calibre to Nottingham there.

### **Administrative Problems**

I have had the opportunity to learn a good deal about the Monash operations in Malaysia and South Africa and they illustrate quite a lot of the problems that should serve as warnings to those seeking to set up outposts in China. Australian professors cannot be persuaded to go to the Malaysian campus. This results in the new campus relying upon locally employed staff, who are not well qualified. Yet those local staff are expected to do research, because that is what the home university does. Given this example, I think for Nottingham to sustain, and build up, the Ningbo campus as an institution equal in status to the research-intensive home university over a significant number of years is an enormous task.

It is extremely difficult to set up an overseas campus as a powerhouse of research. Most British scholars' academic careers are going to be in the West and the scholarly community with which they communicate is going to be in the West. It takes a long time to build up substantial research teams and significant resources and people are needed. The University of Warwick, which certainly sees itself as an international university, pulled out of building a Singapore campus partly due to these fears. It sees itself as being highly competitive in terms of research and I think that many academics at Warwick felt that it was going to be impossible to have the same kind of research reputation on a campus in Singapore. The wisdom of Warwick not going forward with Singapore was demonstrated by the fact that the University of New South Wales, which did accept Singapore's invitation, pulled out so soon. To start building a research base from scratch in places like Singapore or China is an extremely difficult, if not impossible, task and is almost certainly liable to lead to overstretch and disappointment.

### **Student Demand**

I understand that the motivations of Liverpool and Nottingham are rather different. Liverpool, in establishing its operation in China, has linked with a Chinese university and their operation is solely in electronics and business studies. I think that they are trying to tap into rather narrow fields where they might get long-term international partnerships. At Nottingham, they are interested in global higher education and internationalising higher education on a grand scale. I think they see the Ningbo campus as increasing the number of Chinese students they get coming to Nottingham. They also see it as an opportunity for British students to go to China. In other words the motivation seems to be internationalisation and globalisation, quite different from the motivation for Liverpool.

One problem with this mission is that I would be surprised if significant numbers of British students want the experience of studying for part of their degree in China. This is partly because it is pretty disruptive to their studies in the UK and it must also seem rather risky to many of them, unless they are planning to have a career that involves the Far East. Not many students see that as being their goal in life.

### **Structuring a Partnership**

One danger with a British university setting up a British campus overseas is that it begins to look, maybe not imperial, but certainly counter-cultural, in the long term. I much prefer the Liverpool model of a partnership with an established Chinese university, rather than where you have the University of X operating in China. Maybe if Britain had not had a colonial past, one would not be so sensitive about this kind of thing. On a practical level, if you are in partnership with an institution, and things are not going well - provided that the partner institution is a good one - then you may be able to withdraw or make representations in a way that might not be possible if the ball is entirely in your court. If, on the other hand, things begin to go wrong when you are solely responsible for putting them right, this may result in a considerable financial, or reputational, drain.

There are serious risks in involving commercial partners. In the Monash case in Malaysia, where they have a commercial partner, there are significant problems because there is joint ownership of the campus and all the non-academic staff are employed direct by the partner company. The commercial partner may well have the same aims, at least when they sign the contracts, but over the long-term who knows what is going to happen to commercial conditions?

### **Discipline-Based Partnerships**

Smaller, discipline-based partnerships show quite a bit of promise. However, the problem with university partnerships over the long-term is that they depend on people. For example, the partnerships that have been

created between British and American universities tend to do well when there is a particular group of individuals there, but do not seem to last very long. The University of Cambridge's partnership with MIT, created with £65 million from the then Chancellor of the Exchequer Gordon Brown, is a prime example. The partnership has now all but come to an end and it was quite troubled throughout. What tends to happen is that you build a research partnership with people with whom you have common interests, and then these people move on, or retire, or your own research interests change, and so the partnership lapses. New collaborations may seem promising and exciting at the beginning, but the longer term prospects are hard to estimate.

If we have learned anything from Monash and Nottingham it is that setting up campuses abroad is a very long process. We cannot expect there to be returns in the short run. Founding a university, as those of us who have been involved in founding a British university will tell you, is a 10 or 20 year process. Nothing will be produced in 5 years. If you are going to do it, your commitment is for the long haul, not the short-term and if you are the initiating vice chancellor, as both the Nottingham and Liverpool vice chancellors have found, you are not going to be able to see it through even to the medium term.

## **Bridging the Cultural Chasm**

### **Dr Helen Spencer-Oatey**

*“The key really is that you have to allow a large amount of time at the beginning for building the relationship. That sounds like something and nothing, but without that personal relationship, without that mutual trust, if you run into problems later then you have nothing to hold you together.”*

Dr Helen Spencer-Oatey is the UK Manager of HEFCE's eChina-UK Programme, and director of the Centre for English Language Teacher Education at the University of Warwick. Her research focuses on intercultural interaction and she has recently edited "E-Learning Initiatives in China: Pedagogy, Policy and Culture".

#### **Partnership Etiquette**

- Be aware of differences within the educational systems. For example, the quality assurance process and the way universities are run can be different. Gaining an understanding of the educational system and how the particular partner university operates is crucial.
- The constant use of English as the sole working language creates an imbalance and tensions between the sides. Attempt some Chinese or employ a Chinese speaker within your team.
- Differences in interpretation of what common terms mean can create confusion. A Chinese and a British institution can spend two years in discussions before they realise that they have different definitions of a central term and are therefore negotiating different visions.
- The sending of mass emails, whilst being an effective way of disseminating information, can seriously infringe upon Chinese sensitivities due to their more hierarchical structure of authority.
- The differences of style of language and cultural convention are often very subtle. It is too much of a simplification to say the Chinese are always indirect and the British are always direct, but there can be differences in convention and what may be a suggestion could be construed as a direct order and vice versa.

#### **Personal Relationship Building**

It is absolutely crucial to develop personal relations with your partners. The key really is that you have to allow a large amount of time at the beginning for building the relationship. That sounds like something and nothing, but without that personal relationship, without that mutual trust, if you run into problems later then you have nothing to hold you together. You have to spend time initially getting to know each other, getting to understand each other's context, building confidence and trust in each other. Then if later on you find you have differences of opinion you have enough of a relationship to be able to work through it.

Once you have formed a good relationship and understand the context, you can get some good data and work together very collaboratively. But it is the initial setting up - finding the right people to work with, taking the time to understand the context - that takes time. What you cannot expect is to say: “Right, I have this research idea, I am looking for people over there whom I am going to ask to help me with x, y and z.” In such a scenario, because you are imposing it on them, they will not really be interested and will have a different agenda. That is the biggest weakness of the British. They start with an idea that is theirs, then they



try to get other people to join it and they are disappointed that others have not really come on board. It is the initial relationship building that takes the time.

### **Approach**

The British have come across in some instances as 'imperialistic', but I do not think this is a conscious attitude at all. In fact it is quite the reverse, there is a conscious desire to adapt and learn. But all of us make certain assumptions and we are often not aware of the assumptions we make. So, for instance, if you are jointly developing a course, or educational materials, the concept of what constitutes a 'good' learning experience could be different. In Britain we tend not to want passive learners; we think learning should be active and personalised and that this is good because students will be more motivated and autonomous. We work with the assumption that this is the best way of learning. There is an assumption that silence means passivity and that talking and taking part in activities is being active, which is responsible for deep, rather than shallow, learning. However, that is a rather over-simplistic take on what is going on in the Chinese context, where learners could be silent but very active. Sometimes, British staff have had strong views of pedagogy and have not had the time or inclination to find out how the Chinese partners view it. This means that they appear to be imposing their view that teaching and learning must take place in a certain way for learning to be active. This can come across as an imperialistic attempt to impose a Western approach.

### **E-learning in China**

I think e-learning in China will continue to grow, but there are two aspects to this. First, there are the distance-learning students, who only study through e-learning, and then there are those who use e-learning but are on campus and use it to supplement their more traditional learning. Due to the shortage of teachers in China, an increasing number of campus courses use a strong online component. This has huge implications for resources and this is why the Ministry of Education has a very significant programme to develop 5,000 'top-quality courses', which they offer free of charge to all universities, because they realise they need more and more online. I think this is driven at the ministry level by a genuine need within the universities. They are very conscious, especially in the rural parts of China, of their limited access to educational opportunities and there is a genuine, strong desire to provide them with educational materials. In this sense it is very product-orientated because there is a genuine need; they know all the people out there want training. Having said that, there is also a commercial side to it. Many of the online elements are commercial and are run as profit-making ventures, so there is a dual aspect to it.

## Understanding Student Needs Professor Rebecca Hughes

*“Many students become active ambassadors for China in the local community. However, some Chinese students are very ‘driven’ and there is always a danger of the students simply treating their time in the host institution as time spent to ‘get the bit of paper’ and putting up with intense isolation and misery to do this.”*

Rebecca Hughes is Chair of Applied Linguistics at the University of Nottingham, and Director of the Centre for English Language Education. She has published widely in applied linguistics and has been a regular consultant for the UK’s Qualifications and Curriculum Authority, and has spoken on higher education language policy internationally.

### The Importance of Language Competency

There is no such thing as a ‘good’ applicant if they are linguistically too weak to function in the context they are joining. Ability to communicate and thrive, both academically and socially, should be a core part of higher education admissions criteria. These skills have, to a certain extent, been taken for granted as a natural ‘by product’ of the schooling undertaken by applicants of the calibre required for each institution. The speed of internationalisation and widening scope of student body are challenging this and so the communicative expectations of the institution need to be made more explicit and discussed openly.

### Getting up to Speed

Academic study is, and should be, linguistically challenging. A PhD student, for example, will be required to understand and produce language of a sophistication, accuracy, complexity and quantity that many mother tongue users of English will never be asked to do. A masters student will be required to ‘hit the ground running’, absorb and synthesise significant quantities of information and then pass assessments counting towards the degree-class within a few weeks of joining the programme. Undergraduates need to make the transition from school to higher education quickly and cope with the sometimes inchoate and challenging aspects of a developing independent social life and the demands of study. These pressures are the same for all students, home and international. The number of hours/weeks of full time classes necessary to make a noticeable improvement in a foreign language are often underestimated, so remediation in tandem with degree study is not advisable. Students can be taught some useful strategies for self-improvement parallel to their courses, but unless they are close to the minimum required they will be put at a significant disadvantage by the extra stress of the language challenge, of attempting to remediate and keep up with peers. This approach also limits the international student into the stereotype of the ‘deficient’ member of the academic community, when often they have academic abilities on a par with, if not above, their classmates.

### Effects if Students are Admitted with Insufficient Language Skills

There are ramifications for the individual, the department and ultimately for the institution if students are admitted without having sufficient language ability. In the final analysis, graduates, families, employers and sponsors will be the judge of what they have gained from their higher education experience. Employability and communicative ability will be a key part of this in the global market for talent and the long term impact

of weak professional and other language skills will reflect on the institution's reputation. These effects are slow to emerge, but difficult to put right. Anglophone nations currently enjoy an extraordinary advantage simply from their language of study being an international lingua franca. UK PLC should be fostering this communicative advantage, sharing policies that make the playing field level for the brightest and best, and keeping ahead of significant new players such as Singapore.

### **Academic Integration of Chinese Students**

Many nationalities (including British!) need to be encouraged to understand the key differences between their current expectations of academic culture and the one they are joining. Particular induction to western higher education values of personal stance versus plagiarism, or of autonomy and individual growth versus individual competitiveness is valuable. For the Chinese student, simple facts such as the marking system being unlikely (in some subjects) to ever give them the high scores they would have expected in their own system, or what an assessment system values in an essay will help.

### **Social Integration of Chinese Students**

A well run, internationally focused university will have pastoral and other support networks for all students, including those from one particular national group. Often the students themselves are excellent at networking and setting up support groups. Many students become active ambassadors for China in the local community, for example helping with Mandarin classes in local schools. However, some Chinese students are very 'driven' and there is always a danger of the students simply treating their time in the host institution as time spent to 'get the bit of paper' and putting up with intense isolation and misery to do this, particularly if their language is too weak to pick up on 'social English' and integrate. Personal tutors, departmental secretaries and other students all need to be aware that an international student who seems very withdrawn and quiet may need more support and they should have clear published guidelines about where to go when in difficulty. Chinese students at times find it hard to change their intense work ethic and this needs to be thought through in relation to other expectations such as autonomy in learning.

### **Adapting to Better Accommodate Foreign Students**

If we are serious about internationalisation and integrating students from a variety of backgrounds, then questions about adapting teaching to better accommodate foreign students need to be moved closer to the centre of higher education institutions' planning. When students are under pressure because of language ability, or are feeling 'disengaged' from the programme of study because they have no understanding of its broad educational aims, they will turn to tactics such as plagiarism, simple description and regurgitation of facts, or overdependence on prefabricated answers. Ideally the focus should be on the communicative needs and abilities of the academic community in a department as a whole – teaching and learning is a two-way process - and on encouraging some level of inter-cultural understanding and debate. These encompass both broad ethical questions and very practical ones. What level of ability to express concepts and information accurately does the department want at admission to a course? Does it help or hinder to give everything in PowerPoint notes before a lecture or does the act of listening and note-making foster important skills and improve understanding? Is it fair to help students who have weaker language skills more than others who are stronger in that respect? Do academics assume that their graduates will be excellent communicators and are they keeping an eye on these aspects through feedback from the careers office and employers? What is it realistically possible to achieve in a teaching and research community where communication is restricted by the student body, or indeed the faculty, not having a shared language at a very high level of proficiency? Do academics see it as their task to help a student improve their academic language and is this the best use of their time? Do they know where to send a student for extra help? Do they know what can be done to prepare a student before registration?

**Language Teaching**

There are simple, tried and tested formulae for the probable length of time it will take to get from one level to another in terms of academic language and skills, and we might be suspicious of programmes that make promises that are significantly different from this. The more experienced higher education providers should be encouraged to be generous with the institutional knowledge gained about the needs of international students in order to protect the UK higher education 'brand'. However, while academics know when there is a problem with a student's work, they are not always expert in judging what is causing the problem. A partnership between academic departments and experienced English for Academic Purposes staff will help to get to the bottom of this. Overall, when an institution is faced with a high number of potentially lucrative overseas applicants who do not have sufficient starting proficiency in English, three paths should be followed: throw money at the problem, get advice from more experienced institutions, and pray.

## Case Study 1: The Stand-Alone University

The Xi'an Jiaotong-Liverpool University was established pointedly as an independent, stand-alone institution, rather than as an outpost of the University of Liverpool. It opened in September 2006 in Suzhou, 90 kilometres west of Shanghai. In contrast to the most visible and frequently quoted example of British involvement in China – Nottingham's Ningbo campus – this new university has its own degree-awarding powers. It also has the potential to sever all formal ties with the two parent institutions and float-free. In the first three years the new university is offering degree programmes in computer science, electronics and IT. These courses operate within the Chinese Ministry of Education (MoE) parameters and are largely China-specific, but were designed by British academics working in Liverpool.

The purpose of this ambitious project was to boost Liverpool's global brand, as well as to drive student recruitment from China in general and the Suzhou area in particular. In addition it would provide research and employment links with the Suzhou Industrial Park, home to 2,100 companies, 60 of which rank in the Fortune 500. Professor Drummond Bone, vice chancellor of Liverpool, felt strongly that he wanted to break away from the more imperialistic outpost model. "We felt that there was a long-term gain in having something which did not impose one set of cultural values on another," he says. "I think that one of the questions about the internationalisation of education is how much it imposes cultural homogeneity. We certainly, very specifically, did not want to go down that route."

The venture was the result of two years of negotiation. It originated in an approach to Liverpool by a different Chinese university. Although this original Chinese partner backed out, Liverpool pursued the project, negotiating with Chinese institutions with which they had long-standing relations. An agreement was reached with Xi'an Jiaotong University and an American third-party backer, Laureate Education Incorporated. Laureate provided all of the cash for the Liverpool side of the agreement – with the other 50 per cent coming from Xi'an Jiaotong. Professor Bone explains: "We could not divert cash resources that could be spent at Liverpool into such a venture." Finally, the three partners made a joint approach to the MoE.

As the new university is barely 18 months old, its general health is difficult to gauge. Many in the sector are sceptical about China's willingness to relinquish control in these foreign joint ventures. It may be significant that this university started life as the Liverpool-Xi'an Jiaotong University and has now quietly shifted to Xi'an Jiaotong-Liverpool University. Nonetheless, student intake has quadrupled from 160 to 800 in two years. The current number of staff and students coming out from Liverpool is relatively low, with only around a dozen out in China at the moment, but the university hopes this will increase as the programmes develop. Professor Bone is confident that the new university, as well as Nottingham's Ningbo campus, have been of great advantage to China as they have brought problem-based and scenario-based learning into the Chinese system. Liverpool feels that it could repeat the model in other countries. However, Professor Bone warns: "You cannot underestimate the considerable commitment of time both from the management and the academics developing the courses, because the courses are developed in Liverpool. There has been quite a bit of work and if we are thinking of doing it elsewhere, we have to be careful we do not stretch our resources too thin."

## Case Study 2: The Overseas Campus

The University of Nottingham's Ningbo campus, in Zhejiang province, was the first Sino-foreign university to receive approval from the Chinese Ministry of Education (MoE). Since this pioneering project was initiated, in 2004, it has been the focus of considerable attention around the world. The campus, in parts a replica of the UK campus, has an area of over 144 acres and is located on the Ningbo Higher Education Park. The project has been jointly developed by Nottingham and Zhejiang Wanli Education, a Chinese private education company, but Nottingham has been careful not to disclose precise details of how the control breaks down between the two partners. The UK institution has responsibility for the academic curriculum, the issuing of degrees and quality assurance, whilst their partner, Zhejiang Wanli Education, financed the development of campus infrastructure. The campus has 2,850 undergraduate and postgraduate students and more than 200 teaching and administrative staff. Attracting staff from the UK has reportedly been one of the biggest hurdles – in common with other similar ventures. The institution is comprised of six academic divisions and six research centres. The original focus was upon the Liberal Arts (Arts and Social Sciences) in order to maximise the support base from within the UK schools, but the university has recently begun expanding into science subjects.

Nottingham's vice chancellor, Sir Colin Campbell, had three goals with Nottingham Ningbo. First, he aimed to establish a genuinely world-class international campus on Chinese soil, thus recognising the increasing importance of China. Secondly, he wanted to transfer British teaching and research skills to China. And finally, he aimed to provide a British education to Chinese students at a reduced cost. Nottingham Ningbo is styled as a British campus overseas, providing an identical experience to the one a student would receive in the UK. All undergraduate and postgraduate programmes are conducted entirely in English with the same teaching and evaluation standards as at Nottingham UK. The campus has teaching staff from 12 different countries, including some seconded from Nottingham, and over 100 full-time international and exchange students from more than 30 countries. In the longer term, it aims to have international students composing 25% of the student population.

Nottingham has a long-standing interest in China, stemming from Sir Colin's personal interest, and has over 60 ties with Chinese universities. To pursue their Ningbo venture, Nottingham appointed Yang Fujia, a distinguished Chinese physicist and former president of Fudan University in Shanghai, as chancellor. Ningbo was chosen as the destination for the Nottingham campus because the province was deemed underserved by elite universities, the city had an outward-looking character and it offered very favourable terms. The venture received substantial political backing, due to the Chinese government's policy to boost higher education numbers.

The vision is to draw staff for the Ningbo campus equally from local, international and UK sources, and to expand student numbers to 7,500 over five years. If any surpluses are made they are to be re-invested and so help build research institutes and further Chinese alliances whilst allowing greater mobility between Nottingham and Ningbo.

### Case Study 3: The Joint Degree Programme

The partnership between Queen Mary, University of London (QMUL) and Beijing University of Posts and Technology (BUPT) was the first joint UK-Chinese degree course permitted by the Chinese Ministry of Education (MoE). This project, launched in 2004, is based upon jointly accredited undergraduate degree programmes in which each partner provides 50% of the teaching. Successful graduates receive degrees from both institutions. The degrees, currently focused on e-commerce and telecommunications, are taught in English at a new BUPT campus in Beijing. It is an equal partnership: all academic matters are decided jointly, teaching is done by core staff from each university and students consider themselves to be members of both universities.

The partnership forms a key plank of QMUL's international strategy of establishing long-term relationships with countries of increasing importance, and finding a sustainable way of generating a proportion of the university's overseas revenues. The degree programmes were specifically focused around Information and Communications Technology in order to reinforce QMUL's leading position in IT and telecommunication research and to help rectify a skills deficit in the burgeoning Chinese economy. "It seemed to us a more sustainable model than setting up on our own," Professor Adrian Smith, QMUL's principal, explained. "We want to be integrated into the Chinese system for the long term and we think a partnership is the right way to achieve this objective rather than a free-standing Queen Mary venture."

QMUL and BUPT came together organically through academic collaboration and at the prompting of BUPT this longstanding relationship was solidified, over a two-year period, into an official set of joint education initiatives. This was made possible because the Chinese government decided to allow universities to set their own fees for courses that introduced important new subjects. Undergraduate course fees are otherwise capped in China and this offered the opportunity for BUPT to increase revenue significantly. The financial investment from QMUL was minimal but, as with Liverpool's initiative, it necessitated significant investment in human resources, curriculum design and assessment. Professor Smith said: "QMUL brings its particular strengths as a leading UK higher education institution; BUPT as a leading Chinese institution. Together we created a programme that is unique and greater than either party could do separately."

Student numbers have increased from 122 in 2004 to 500 in 2006 and it is hoped that they will eventually reach a sustainable level of 2,000. The programme has succeeded in recruiting some of the best candidates in China – all entrants are above the top national line in entrance examinations. There are plans to expand to encompass more subjects. QMUL is keen to follow a similar partnership model in other countries.

The downside of this partnership model, however, is that it requires validation from a myriad of different institutions. In this case the degrees had to be verified by the UK Quality Assurance Agency, the Institute of Engineering and Technology (IET), the Chinese MoE and the Beijing City authorities, as well as having to navigate the treacherous Chinese tax and business laws. Despite this, Professor Smith is bullish about the future of the partnership: "In two years we will be running the programmes at steady state and will have graduated two cohorts of uniquely skilled young Chinese people who will be well prepared for the global world of work. That will be the real success."





