UNDERSTANDING YOUR PARTNERS MORE: TAKING THE OPERATION OF NON-LOCAL HIGHER EDUCATION COURSES IN HONG KONG AS AN EXAMPLE

Paper Presented: Dr. Li-chuan Chiang
Associate Professor
Graduate Institute of Entrepreneurialship and Management of Education
National University of Tainan, Taiwan
E-mail: lcchiang@mail.nutn.edu.tw

Though there is much literature on how to manage the partnership and to explore the factors for success or failure in partnership in running transnational higher education (TNHE), the empirical-based case studies on how the demand-side partners’ thinking in reality is much more wanted. The paper aims to explore the realities regarding how the demand-side partners’ considerations and thinking in the process of operating transnational higher education courses. Thus, Hong Kong is selected as a case study since the non-local course in HK provided by foreign suppliers is a competitive market that is also critical to Australian offshore course suppliers. For achieving the aim, this study has carried out an empirical study in Hong Kong. The interviews are adopted for data collection. The main findings include: (1) the development of non-local higher education courses in HK are closely related to the limited capacity of expanding local higher education, free market economy, and current governmental policies; (2) the main considerations of running non-local courses include: the quality of the program, the demand for the program, the mode of instruction, the medium of instruction, and no direct conflict with local courses; (3) the system of registration, rather than of accreditation, is adopted in the operation of non-local course; therefore, the quality of those course heavily relies on the local higher education institutions; (4) the competition between non-local and local degree courses is not much as expected, but the non-local courses still bring some positive impacts on local higher education institutions’ thinking. Finally, based on the results, the certain suggestions on understanding the partners’ practical considerations are proposed.

Key Words: partnership; transnational higher education; non-local higher education; Hong Kong
Introduction

Under the impacts of economic globalization, the international competitions for capitals and human resources have become badly severe. This situation has gradually turned the traditional way of demand and supply of higher education into a new feature. One of visible responses is the increasingly growing transnational higher education (TNHE) programs which become a significant aspect of globalization of higher education. Increasing numbers of English-speaking countries have actively established and expanded their international networking in offering the TNHE courses. This has changed the discourse of internationalization of higher education. The discourse is shifting from being the add-on but not regular university activities to forming the core element in planning, management, and organization culture of the university. It is also turning the nature of internationalization of higher education from cooperation to competition, and from promoting mutual understanding to exporting education services for economic benefits.

The concept of strategic alliance or of partnership has been widely applied to many industries and enterprises. Its application has also extended to the field of education, especially in the operation of TNHE. Seeking and accessing to a new higher education market in other countries, strategic alliance or partnership is commonly used. Seeking for local partnerships to cooperate is the crucial key to the success of the operation of TNHE. What are real consideration of the supply side and demand side? Are their considerations definitively matching or contradictory against each other? Or are they just different but all need to be equally paid attention? As Dixon (2006) observes, Australian voices (representing the supply side) have already gained an internationally acceptance in the international education field, but its partners’ voices (the demand side) are still lacking. For example, the survey and the study on Australian offshore education (Davis, Olsen & Bohm, 2000) offer a comprehensive picture regarding the whole process of running the TNHE, including the offshore education policies, current situation of offshore education programs of Australian universities, challenge, decision making, quality concerns, selecting offshore partner, and curriculum adaptation, etc. Among them, one of the motivations for Australian universities to run offshore programs is ‘building the capacity of offshore partner/country to develop and deliver international programs’. The question to be asked is whether the capacity of partner institutions to develop and deliver international programs is built or not. This is far from clear since the empirical study on partner institutions is undone. Moreover, though much literature on partnerships emphasizes the core elements, such as trust, communication, commitment, and culture, the realistic considerations, particularly the demand side of the TNHE, are not fully
empirically explored and taken seriously.

Against such background, the study attempts to illustrate the gap between the ideal and real partnership through realistic considerations in running the TNHE from the demand side perspective. Achieving the aim above, Hong Kong is taken as an example since its non-local higher education courses are one of main forms of the TNHE, and HK is also one of key partners for Australian universities in Asia-Pacific region.

The paper argues that there is the need to clarify which form(s) of TNHE to refer to and define what it means in particular context before to propose any argument like the impact of the TNHE on higher education, or on the internationalization of higher education. Since different forms of TNHE (from branch campus, twinning, franchising programs, to distant online learning) have brought up different issues and implications for different aspects of higher education, no matter for supply or demand sides. The TNHE in this study refers to the non-local higher education courses provided by foreign countries. Non-local courses include two parts--registered courses and exempted courses. The brief background and introduction about non-local higher education courses in HK will be given below. But in this study only considers those exempted courses which require the foreign institutions should cooperate with local higher education institution since it still occupies a big portion of the whole non-local course.

Though there is much literature on how to manage the partnership and to explore the factors for success or failure in partnership in running transnational higher education (TNHE), the empirical-based case studies on how the demand-side partners’ thinking in reality is much more wanted. The paper aims to explore the realities regarding how the demand-side partners’ considerations and thinking in the process of operating transnational higher education courses. Thus, Hong Kong is selected as a case study since the non-local course in HK provided by foreign suppliers is a competitive market that is also critical to Australian offshore course suppliers. For achieving the aim, this study has carried out an empirical study in Hong Kong. The interviews are adopted for data collection.

The main questions to be answered as follows:
1. What are the main considerations in operating the non-local courses (including the reasons for running the courses, considerations on what courses to be offered, partner selection, and quality issue)?
2. What are the impacts of the operation of the non-local courses on partner institutions in HK, particularly in building their capacity to develop and deliver international programs?

**The Context of Non-local Higher Education in HK**

The need for higher education in HK has been unmet by the UGC-funded higher education institutions. Alternative ways for HK people to pursue their advanced degree courses are there and available. Some may choose to go abroad and some may stay home for programs provided by overseas institutions through various modes of delivery. Before the formal regulation-Non-local Higher and Professional (Regulation) Ordinance (NLO) (Cap. 493) was passed in 1996 and took the effect in 1997, those kinds of programs were actively operated in HK since the market mechanism in running those programs was respected, though the quality issues of those programs have called the attention of HK education authorities. Non-local higher education courses are also called as market-like higher education.

According to Teather, Hsang & Chang (1997), there were more than 70 non-local higher education institutions and professional bodies operating in HK, either independently or in cooperation with local institutions, offering over 130 courses up to postgraduate level in 1994-95. From the statistics provided by non-local registry of the Education and Manpower Bureau (EMB, renamed as Education Bureau, EDB), the courses have been growing and expanding. Up to November 2004 the number 996, but so far (July 31, 2007) it exceeds over one thousand. The total number is 1,143 courses, and 65% of them are degree courses up to postgraduate level. Exempted courses represent 64% and registered ones 36%. Among the registered courses, following the top provider institutions from the United Kingdom (63%), Australian institutions take 22%.

The full test of the NLO is available on the HK government website. The main points in the NLO related to the exempt courses are drawn for discussion here. What kind of non-local courses could be exempt? Basically, the non-local course in collaboration with local HEIs shall be exempted courses. According to the article 8 of the NLO, the executive head of a local HEI furnishes the Registrar with a certificate certifying that:

i) the course is conducted by a non-local institution or non-local professional body which mainly operated outside HK in collaboration with that local HEI;

ii) the course is not wholly or partly by any fund allocated by the Government.
our of the general revenue to that local HEI; otherwise, with the written consent of the secretary for Education and Manpower;

iii) if a course leads to the award of a non-local higher academic qualification, non-local institution is ‘a recognized non-local institution’ and has effective measures ‘in place to ensure that the standard of the course is maintained at a level comparable with a course conducted in that country leading to the same qualification and is recognized as such by that institution, the academic community in that country and the relevant accreditation authority in that country (if any)’.

**Partnership in Transnational Higher Education**

The concept of strategic alliance or of partnership has been widely applied to many industries and enterprises. Its application has also extended to the field of education, especially in the operation of TNHE. Seeking and accessing to a new higher education market in other countries, strategic alliance or partnership is commonly used. The main benefits of partnership, according to the Wikipedia, include: 1) gaining access to their partner’s distribution channels, international market presence, products, technology, intellectual property, and capital; 2) enhancing brand awareness through the partner’s channels; 3) reducing product development time, R&D costs, and risks; and 4) rapidly achieving scale, critical mass and momentum (economies of scale- bigger is better).

While the literature on partnership (i.e. Heffernan & Poole, 2005; Wohlstetter, Smith & Malloy, 2005) very much emphasizes the elements to keep the partnership succeed, such as trust, commitment, and communication, the realistic views and pragmatic needs of the partners attract less attention. The paper argues that the operation of the TNHE should take a more pragmatic view of partnership, i.e. the economic purpose of the TNHE providers, and the market need of the demand side. Thus, the temporary relationships established though offering and meeting the need of the TNHE course illustrate that such kind of partnership is forged for the purpose, as Matlin (2001) argues, that ‘may have a degree of mutual interest as well as a strong component of self-interest’.

(Beside attracting international students to come to study in Australia, Australian universities have established offshore education partnership, particularly in the Asia-Pacific region. According to the IDP (2005)More than (Heffernan & Poole, 2005)
With the globalization, the technology advance, and the free trade in services instigated by the WTO-GATS, education services are treated as an industry like tourism and transportation for export. Among the aggressive countries that export their education services, Australia has been recognized as one of key players. Since Australian government actively promoted the idea of education as an exporting industry from 1985. Attracting overseas students come to Australia for study was the main task for universities. This move formed “the first wave” of internationalization of Australian universities. Until 1991, after finding the limitation of the first move, the industry committee of Australia urged the government and universities to take proactive action to export the lectures and programs to those students who chose to stay home but wanted to enroll in the courses and degrees of Australian universities. Under the pressure of the shrinking public funding, Australian universities took the aggressive actions to export their courses via twinning, foundation courses, online, and branch campus. The overseas student number has increased from 29,000 in 1990 to 18,500 in 2002, 21% of all Australian university students, and 1/3 of them taking offshore courses. This move forms “the second wave” of internationalization of Australian universities, also called as “export-driven” internationalization.

With Australian government and private enterprises claim the benefits of trade-driven internationalization and demonstrating them to importing countries,

as Harman (2005) observes, the Australian government is playing a leading role in promoting trade liberalization through establishing the confidence in international quality assurance mechanisms.

the cooperation of Australian universities to pursue them, the academy worry the long-term development of higher education in Australia, such as commodification and Taylorization of higher education, the overload of work, and the balance of teaching and research in facing of the pressure of the global ranking.

?? and. The IDP and other

Method

Considering that the current literature is not much available and less empirical-base (Lenn, 1998; French, 1999; McBurnie and Ziguras, 2001), this study has to carry out an empirical study in Hong Kong. All data reported here are collected as part of a two-year study funded by the National Science Council, Taiwan. The study seeks to explore the implications for promoting the internationalization of
higher education in Taiwan through the importing the TNHE (or like the non-local course in HK). As an exploratory study, the research design adopts a qualitative case study approach to gather in-depth information about the pragmatic views of partnership in the operation of the TNHE. The reasons of selecting HK as a case have been mentioned above. The interviews are adopted for data collection. Thus, first-year study aims to understand the operation and management of the non-local courses in HK from the views of people from those units who cooperate with foreign institutions, and the second-year moves to understand the impact of non-local courses on the internationalization of higher education in HK from the views of people from those units in the institutions in charge of international cooperation and education business. Besides, the views of scholars, users of local and non-local courses, and employer are sought during the data collection process. The interviews are conducted in May 2005 and May 2006.

The first year study was conducted in May 2005. There are 18 informants, including 5 directors of the continuing and professional studies, one registrar, 3 program coordinators, 4 academics, 4 users and one employer. The second year study was conducted in May 2006. There are 9 informants, including one vice-president, 6 directors of the international offices, and two academics. All interviews are transcribed according to the language used in the interview (part in Mandarin, and part in English). After reading carefully, main and key topics are coded as the analytical framework to go through the analysis of transcripts.

Findings and Discussion

1. The development background of non-local higher education courses should be reminded

The reasons that the education market in HK is open to the overseas providers reflect the historical, elite higher education policy, and economic backgrounds of HK. One of the interviewees gave the following detailed explanations about why non-local courses have been welcome in HK,

_Historically, HK has been British’s colony for over one hundred and fifty years. That means HK has a very good link with the world. That is a big connection to Western powers, especially with British link....Another...reason was that in 1960s and 1970s, higher education in Hong Kong was quite elite.... HK higher education could not cater for local needs. Many people would like to have higher degrees.....this background, non-local higher education courses in HK were welcome at that time because this can help upgrade qualifications of Hong Kong people. They do not need to go to overseas to get an oversea degree....._
Hong Kong’s economy is quite open...to be open at least to western countries that have a strong connection with the UK. Hong Kong is a bridge between Mainland China and the rest of the world. As a bridge, Hong Kong has to make use of these. That’s why Hong Kong market is so open in a sense. It can tap to the Mainland market as well as foreign markets. As a mediator or as a broker.... That’s economic reason for HK opening up Hong Kong to non-local higher education courses. (1-A2)

Generally speaking, the development of the non-local higher education courses is related to the limited places offered by local higher education institutions (1-C2). For meeting the increasing demand of higher education and upgrading the quality of manpower, ‘the market mechanism has been introduced in the education’ (1-A2). That is why non-local courses are also called ‘market-like higher education’. Besides, compared to the local counterparts, the academic standard and requirement of the non-local courses are less rigorous. According to the interviewee (1-D1), the market is filled with many local people who couldn’t have met the entrance requirement but still desire to pursue a degree. HK becomes an attractive market to overseas institutions. He said,

In terms of the entry requirement and course type, non-local courses are more flexible than the local counterparts. You should have passed the A level exam; otherwise, you couldn’t get a place in a local universities. In contrast, entry to non-local course is lower. They also provide many prior learning recognitions. Even for those who do not sit for A-level, their working experience could also be taken into consideration for admission to a degree program offered by non-local institutions. (1-D1)

From the perspective of effectively mobilizing the resources, introducing non-local course is one of the strategies in coping with the need of quality manpower in the knowledge-based economy in HK. One of the interviewee argues that,

The government, because of the limited resource, they operate universities. They can’t operate so many of courses. Why not get a helping hand from overseas universities? In Singapore, they allow overseas universities to offer the programs. Then they don’t have to invest so much in developing their own universities. If you need to invest so many or so much money in local infrastructures, it’s a way of wasting money. Why not mobilize overseas resources...how many years do you have to take to train 20 professors in
management, 30 professors in IT, and 10 professors in tourism… A long time. Now I have professors from overseas universities, from Melbourne, their governments train them, and I use their services. This is economically and financially viable…(1-D2)

More importantly, the situation that local HEI do not have incentives (1-D1) to offer some courses, particularly those ones which should be quick responding to the market changes and the need of new industries, has given the chance to the growth of the non-local course. The courses provided by local HEIs are slow to change. With the flexibility, the non-local courses meet the need. However, with the growth of non-local courses, quality concerns certain interviewees (1-D1; 1-D4).

2. Main considerations involved in the operation of the non-local course
The main considerations of running non-local courses include: the quality of the program, the demand for the program, the mode of delivery, the medium of instruction, and no direct conflict with local courses. During the interview, the quality issue has been brought up for much discussion (1-D1, 1-D2, 1-D3, 1-D4, 1-R, 1-M2,1-M3). Most interviewees believe that the non-local courses are not properly run, the damage to the image and reputation of local institutions would immediate take place since HK is a competitive market and a consumerism society. Thus, all non-local courses should have gone through the whole internal process for review and for approval inside the local institutions. Before collaborating with any partners and so on, there is some process involved,

The one that proves the collaboration is governed by Management Board. Other institutions might have another Board to look at this. All the courses we submit a proposal, I said, I want to collaborate with whatever university to offer these programs, I need to provide the details on the curriculum, on the details of how the program has been managed, what mode of delivery, what type of assessment is been done, what quality assurance procedures in the program, and then the Board would decide which consists of academic, and so on. And every year we have to have annual report to Management Board… Then we’ve discussed the quality assurance issues. No doubt, our partner would also need to go through their own quality assurance process. Often, in many collaborating work, there would be joint committee, consist of both parties to discuss quality assurance issues. We have meeting, say, how our students perform, what quality issues we need to re-concern, and so on. Joint committee will be consisting of people from both institutions. There would be a committee that actual overseas, the actual
operation of the program. And then, no doubt, they would discuss the quality assurance issue. At the end of the day, the end of the year, each one of us would write our reports to our own institutions.(1-D4)

The second consideration in running certain courses, as all interviewees mention, depends much on the needs of the market. One of interviewees (1-D2) describes the principle of selecting the courses as kind of market-driven. He explains where the needs are derived from, and how to ‘shop around’ for foreign providers to meet the needs. He said,

Of course, that kind of need depends very much on the economic development of Hong Kong, or the general development of the HK government. So this is the market, and then we respond to the changes of market...The second one is, of course, how many choices we are able to get whole of it. We know the market needs.. Once we all get all of that, then we try to shop around in the world. Shop around, look around. Several countries we usually look around are Australia, USA, Canada, and UK...it depends on the first step is market-driven, the second thing we look around, the language is an issue, and the third step is how they respond. Only from those are outward looking universities. Those universities want to expand their markets overseas, so that come to the collaboration. They offer their courses in Hong Kong(1-D2).

The needs may come from individual mobility need, new industry, and government policy changes (1-D1, 1-D2). In the market, however, there is high demand in some common areas, business, management, law, etc. Those business (money-related) courses are always welcome in HK. When a program ceases to be offered may not be the reason of quality, but most of them because the market needs diminish or disappear. Based on his experience, interviewee (1-M2) confirms such a situation that market need rather than quality decide the courses to be offered again.

Many examples of market-driven courses are given during the interviews. The following is one of them,

For some years go to IT programs, Master degree in IT. They were many, but now is not so many. The market of IT is diminished. But the finance, accounting, legal, business, all these are common areas. They are always welcome in HK. Because HK is an international, financial center. So all kinds of high degrees related to 'money', legal issues, money, international law, all sorts of things relate to key business are welcome. Now tourism, logistics, because HK is a key
transition city, all airport, containers, all these kinds of transportation link with overseas countries. So logistics is welcome... Now China trade in HK. There are many high degree programmes in China trade, about the Chinese law, Chinese legal system, the human relationship-how the Chinese officials, how to deal with Chinese business people...HK people are so smart. If those courses are useless, they don't enroll. (1-D2)

One of the reasons that the market principle has been emphasized by the interviewees is related to the non-local courses to be run on self-financed bases. Besides keeping close contact with the market, the experience is also important. The interviewee said,

HK is known for its free economy. It’s completely driven by the market forces... So that's why, if you want to run the continuing education units, and it's all on self-financing basis, so you'd better know the market, if you don't know the market, you won't survive too long...most of us have close contacts with profession bodies, industries, firms, and so on...we're always keeping the tap on what is employers looking for, what type of people they are looking for what courses they're in demands.... The other will be that, I mean, we also base on our experience, and so on, you can also look at in the coming year, if you look at the trends and based on our experience, we also look at, this will be something that will be needed for Hong Kong in the future...some of us might be brave enough to launch programs that they are not offered before. (1-D4)

For understanding the needs of the market, the market surveys on those who ever took courses are conducted, and follow-up researches on their career development are done. Then the completeness of the courses would assist HK people to achieve the career goals. One of interviewees describes,

We have run many courses, from the level of certificate, diploma, to degree, for many years. We also have many alumni from different working background. During their career development, the top-up courses they need we try to run. Sometimes certain courses to be offered are based on the feedback from the alumni. We know their needs (1-M2)

Another interesting policy in running the courses is to avoid the direct competition with the courses offered by their own institutions (1-D2, 1-D5). The reason is easy to get because any courses in cooperation with foreign institutions would go though the whole internal process and obtain an approval. As an interviewee analyzes,
...usually for the university, when they offer overseas courses, it's a policy is that they don’t offer any courses like us in direct competition with our own local degrees...Whenever you want to have any collaboration, we are approved by our Senate. They won’t approve any collaboration for those courses that are in direct competition with the university programs. (1-D2)

If the non-local courses come to have the same name as those courses offered by the department in their own institutions, certain modification on non-local courses should be done before obtaining approval. One of the examples is given by one of the interviewee. The department in his institution offers a course named ‘Applied Finance’ which is also one of the courses which is run by overseas institutions. Finally, the name of non-local course was modified from ‘Applied Finance’ to ‘Applied Finance and Law’ before submitting for review and approval.

Partner selection is also one of consideration in running the non-local courses. Whether the partner institutions should be those on top recognized charts or not, for some institutions are necessary, but for some may not. As one of the interviewee thinks that the name of the partner university is important. He said,

...we usually pick those good universities only. We only work with good universities, like Fu-Dan, No. top 3, Beijeng Normal U, No top 10, Melbourne U, top 50 in the world, the University of Central Lancashire, we took some programmes to be ranked No. 4 in UK. So we have already had that kind of confidence when we sell the courses in the market, the name is already good. (1-D2)

The same situation is also met by the interviewee (1-R). She said that in her institution has regulated what institutions her unit can partner with,

If those institutions are from UK, they should be the top 40 on the TIMES ranking. Those from Australia, they should be above 3-star in the system. Those from America, they should be doctoral universities in the list of Carnegie Foundation They should be recognized universities; otherwise, you cannot provide a program. (1-R)

For some universities, however, they have more pragmatic view on partnership since partnership needs the willingness of both parties (1-D1, 1-D5). By the way, not all top overseas universities in the world would like to have their courses in HK. Therefore, one of interviewees (1-D1) argues that though the name of the universities
is important, the quality assurance mechanism in the partner institutions in place to monitor the quality of programs is more important.

Language is also one of considerations in selecting partners. The partner institutions in English-speaking countries are sought after more than other others. One of interviewees describes,

*Several countries we usually look around are Australia, USA, Canada, and UK. The mainly these four are in HK, the English-speaking developed countries. We never shop from Japan, from Germany, or from France, mainly because of the language…. After 1997, in Hong Kong, you start to see some overseas programs from China (1-D2)*

The mode of delivery is also one of key issues for considerations. Most of interviewees (1-D1, 1-D2, 1-D4, 1-A1) mention that most of their non-local courses are face-to-face, partly adopting mixed mode. Two reasons are specified: one is due to the quality, and the second, the market for distant-learning in HK is too small. Regarding quality, one of interviewees, also expert of IT in education, expresses,

*No distant learning is our policy. Quality matters. By far we don’t have any course which is totally through distant learning. Most of them are face-to-face, and part of mixed mode. (1-D1)*

One interviewee, based on his observation, indicates that the market for distant learning in HK is small since distant-learning is not the preferred mode of delivery by most of Chinese students. There are some interesting cases like this, though it is distant learning program, when it is delivered in HK, some lectures and tutorial would be added on to it. He explains,

*...Chinese students would rather see the classroom.... We still prefer face-to-face, see the teachers and talk. Even though we might be dreaming or whatever. They like to sit in the classroom. That’s why distant-learning is not popular in HK. So MA of Sunderland, though distant-learning program, but actually when it’s been delivered in HK, it’s on face-to-face basis. So we just get materials. So the majority is still face-to-face. So students come to lecture. So part-time teachers are recruited to lecture on the program.... 100% of distant-learning is difficult to run in HK. So the market is small. The best you can do you could look for, is blended, mixed-mode. (1-D4)*
Though, finally, curriculum adaptation is not main of the considerations in running the courses, it causes some dilemma. Some interviewees (1-R, 1-M2, 1-D4) identify the dilemma between fulfilling the requirement of the academic award of partner institution and the flexibility in adjusting the curriculum to fit for HK situations. For the former, how to keep the overseas award is at the comparable level with local ones makes the curriculum less flexible. For the latter, what the students in HK learn may not be applicable to local situation. As an interviewee describes one exception,

_Some of the courses, they may not be easily adaptable to Hong Kong, right? So, if some of the courses being offered might be cultural-specific. If you want to import Australian accounting degree in HK, why anyone in Hong Kong would be interested in Australian taxes? By definition, they have to do Australian taxes because it's an Australian degree, right? So we can not change... Because that's part of a degree program, right?....Part-time students they are working in the industries, they already have some knowledge of local taxation, it would be interesting. They would be interested in finding out what's taxation overseas. But you are talking about 18 or 19 year-old students, they have no exposure. Suddenly, you say, we have to Australian taxation, you have to do U.S law, you have to do U.K, I mean whatever. It's just, they may not be mature enough to take into this, to deal with the cultural differences, right?. (1-D4)_

3. The system of registration other than of accreditation should be noted

Though the government in HK regulates non-local course through the NLO, but the NLO is perceived by interviewees (1-D1, 1-D4, 1-D5) as a low entry barrier. The other point is that the system of registration is like to get a license after filling in the documents, nothing related to quality issues. It is different from the system of accreditation. As an interviewee expressed,

_The government in HK did not have any regulation on these non-local courses before. Some overseas institutions did not properly run the courses. Recruiting students and collecting tuition fees, and then close it down. Students and parents complain to the government. Why not have some control?... Some institutions offered PhD courses, but they were not real universities, only a two-story building in the US...Now those who do not have cooperation with local HK institutions should go through registration system. However, registration is not accreditation. It does not give any guarantee on the quality. (1-D1)
The difference between the registration and accreditation should be noted. One of interviewee explains non-local courses are registered course, not accredited courses. He said,

*There’s a huge difference. Registration is simply to fill in the form, and declare that what you’re offering in Hong Kong... the same as what you offer back at home. It does not say anything about quality.... We think registration is to get a license. I give you this document, I want to register this program. But this program has not been accredited. So it hasn’t gone through accreditation process. So anyone can register, all they need is to put in documentation.....that’s no quality assurance.... They(commercial agencies) could find some universities that are willing to bend.* (1-D4)

4. Impacts of non-local course on HK universities confined by its scale, image, and local preference

According to the interview analysis, impacts of non-local course on HK universities are confined by its scale, image, and local preference. Based on the formal statistic from the government, the number of non-local courses is over one thousand. But this number may lead to wrong interpretation on its scale. The formal statistic represents a record of certificate proposal for registration and for exempt, instead of the number of the courses which are finally operated due to the failure in student recruitment. Therefore, compared to the scale of the courses offered by local HEIs, the scale of non-local courses is still small. Besides, the non-local courses can only be recognized ‘supplementary’ rather than ‘complementary’ to the local ones. One of the interviewees re-emphasizes,

*Non-local courses is ‘supplementary’ not complementary because students, if they could get a place in local institutes, would choose a place in local higher education institutions. In that sense, non-local course is not complementary but supplementary.... This is a kind of supplementary to what Hong Kong institutes can provide.* (1-A2)

Regarding the image about non-local courses, the expression like this: easier to entry and lower degree requirement than local universities but their tuition fees are higher than local ones, is used by some interviewees. For degree programs, some interviewees (1-D1) still feel if would be better to go to that country to get their degrees. He said, ‘don’t you feel strange that if someone said to you that he or she got a degree of one university, but he or she never been there?’

Due to various players from top, middle, to low range in the market, the principle
of open access by tight exit control is not well kept. Diploma diseases is one of terms mentioned during the interview. One of the interviewees offers the following examples to make the researcher understand why the non-local course would face such image challenge. He expresses his concern,

To get a degree, you have to go through the proper steps and you have to meet the standard, and so on. Unfortunately, for financial rewards and so on, they are some overseas providers they are willing to bend the rule and willing to compromise the standards for financial rewards, right?... you could actually see some cases in Hong Kong...You could see some rather ridiculous things happening in Hong Kong...Someone who could come in without A-level do a diploma... You see, loose access, easy entry, easy exit, as well... you come and do a diploma for one year, 10 courses diploma for one year. And then you could top-up to overseas degree within one year. So 2 year you got a degree and then top-up 1 year you got a MBA, and then top-up it for another 16 months you got a doctor degree. So in 4 and half years, you don’t have A-level, you get a doctoral. What kind of the program is this? Just over 4 years, from zero, in 4 and half year, form a zero to a doctoral….there are courses available like these in Hong Kong... What is going on?(1-D4)

For local students, there are difference between the 18-19 year-old students and working adults. For the former, the local, rather than overseas, degrees are their first choice if they stay home for degree. The main reasons include: unfamiliar with overseas institutions, more piecemeal information about non-local courses from the advertisements, The following dialogue taking place between the researcher and two young local students reveals the image about non-local courses in their mind,

1-S1: It would be better to go abroad to get an overseas degree. Those overseas programs run in HK, I think, would be provided by no good universities. Though there are advertisements of non-local courses for A-level students, the overseas universities are not too good. Compared to the former, local universities still enjoy high recognition. If the situation that I would not have a chance to enter the local universities comes across, I may consider overseas programs offered in HK. But if the tuition fees is too high, then I may give it up.

1-S2: As I know, one of my friends enrolling such an overseas degree program, but she only needs to stay home and watches programs. I would not consider the programs like that...if you get a degree from the local universities, people may think you really have made efforts to earn it. But the degrees from overseas
programs offered in HK seems not to give people that kind of positive association.

Different from the 18-19 year old students, the image of non-local courses for working adults (1-S3, 1-S4) is the courses with more flexibility and opportunity for upgrading their qualification. For example, part-time and new courses provided by overseas universities are more than those by local counterparts. But for one of the non-local users still suggests the followings: 1) it’s better to choose the overseas institutions with good name that would be more recognized by the HK employers; and 2) collecting more information about the course and checking it with the government authorities and peers (1-S3). For the other user (1-S4), studying overseas degree in HK is fit for her life and working style.

The flexibility and quick-response to the market is the main characteristics of non-local courses. As an interviewee makes a comparison, he said,

...compared to the main university, we tend to offer courses much faster, (I mean, change quite quickly) as soon as we see a gap, as soon as we see there is a potential need, then we will develop a program. And often time, in collaboration with professional bodies and industry people. And that is why, to some extent, the continuing educations are the bridge between industries and academic world. (1-D4)

For some interviewees (1-D2, 1-D3, 1-D4, 1-R, 1-M2), the positive impact of non-local courses on local HEIs is to form a competitive environment in which local ones would think how to get improved.

5. Impacts of non-local course on internationalization of higher education in HK confined by its current characteristics of operation

Impacts of non-local course on internationalization of higher education in HK are confined by its current characteristics of operation. The current characteristics, according to the interviews, four aspects as the followings could be identified: 1) operation scale, compared to the local ones, is too small; 2) no value added to the indicators of internationalization such as the population of international students and staff, publication, and international cooperation; 3) motivation of overseas institutions is economic-oriented; and 4) intensive and short-stay itineraries around Asia of professors from overseas institutions lower the possibilities to have interaction with the local institutions.
One of the interviewees argues whether non-local courses could do any help for internationalization of higher education should depend on how you define the term of internationalization. He said,

_In terms of the indicators, for example, the number of non-local faculties members, the number of non-local students, the number of publications of the faculties in non-local journals, running non-local conferences. Maybe we take these indicators as kind of measures to see how internationalized a university is..... For non-local higher education courses, as compared with local higher education, the figure is quite small.... If you say running the conferences or publication, they (non-local higher education courses) won’t contribute to them._ (I-A2)

According to the interviewees, the non-local course in HK by far are targeting on those working adults who seek advance their learning and degree. The local HK universities do not have an attempt to use this channel to attract overseas students. The student visa of HK only grants to those who enroll the full-time programs of HK universities. Though there are overseas programs offered in HK, they do not contribute to the diversity of student composition since non-local courses could not enroll non-local students. In other words, HK does not use the non-local courses to attract overseas students. As an interviewee explains,

_These oversea degrees, they are mainly for HK people. It’s a kind of manpower development for HK people. How come you offer courses for China, or Taiwan, for example, come to HK to study a degree from Australia? That student why not go to Australia directly? Why they come to HK to study a degree from Australia?_ (I-D2)

The other aspect mentioned often during the interviews is the motivation of overseas institutions which also weakens their impact of non-local courses on the internationalization of higher education in HK. To generate income for their home institutions is recognized as their uttermost motivation by the interviewees (I-D1, I-D2, I-D4, I-A1). The second one could be ‘education’ but aims for recruiting more students to achieve the economic scale. As an interviewee observes,

_The incentive for overseas universities to ‘money making’....So when 15 or 16-years-old kids they want to study their first degree, if they can’t get a place in HK, then they can easily to find out RMIT in the newspaper all the time.... We are providing services to HK, but for the overseas universities, their mission..._
Besides foreign materials and thinking, though the non-local courses bring HK foreign lectures and professors, their intensive and short-stay itineraries around Asia of professors from overseas institutions lower the possibilities to have interaction with the local institutions. If the internationalization includes the mutual understanding and cultural exchanges, the current operation of non-local courses does not function in this way. Interestingly, however, one definitive help, identified by one of the interviewee (2-D2), is to enlarge the possibility for the office of international cooperation to find the partners for their departments.

6. Overall contribution to HK society:

Upgrading manpower for HK society has been agreed by most of interviewees. Exposure to the world views is enhanced because of the introduction of the non-local courses and overseas professors. One of interviewees said,

For HK, we bring the professors from Melbourne, good professors from Shanghai, then who benefits? The students. But eventually, who benefits? To HK economy. Because the manpower are well-educated and they can do better business in HK, make more money, they do a lot good thing for HK. (1-D2)

To broaden the world views of the HK people is also recognized. As an interviewee admits that he personally may have some negative impression about loose admission of the non-local course, but they still have their positive contribution to the HK society. He said,

...most of things I talked about overseas degree have been quite negative, but they are some positive sides to it….having exposures to different cultures, to different dimensions is beneficial to students….not directly through actual personal experience of living in overseas country but through studying an overseas program. You actually expose to something happened in other part of the world. Then actually it’s better than nothing. So I mean, you get appreciated at how other countries, I mean, if you have the same problems, so in Hong Kong we tend to deal with problems like this, but you look at it from Australian that might handle the same issue in a very different manner. So by enrolling in an overseas program, then you got exposure. ..So one advantage that Hong Kong has is to continue of importing overseas or international ideas and incorporate that into our local thinking and so on… If we don’t have that, then Hong Kong
would become isolated, then everything is Hong Kong, very localized. Then we cannot claim to be an international city. (1-D4)

Similarly, according to the second-year interviewees, those who work in the business of international cooperation in HK universities do not recognize the contribution of non-local courses to the internationalization of higher education. Some interviewees (2-D1, 2-A1, 2-A2) still recognize their contribution, particularly importing some overseas courses that are not established in HK but attract foreign people who work in transnational company in HK.

7. Suggestions for overseas provider

Through the interviewees’ concerns about the future of the development of the non-local courses, there are important messages to be noted for foreign providers, current and prospective ones. They can be summarized into 3 aspects: 1) providers should have done more to ensure the quality of the program; 2) there is still a huge need to be met; and 3) image-building should be taken seriously. Due to the current requirement, the system of registration is viewed as a lower and minimum requirement. It does not say anything about quality. Therefore, the non-local course providers should have done more than just following the regulation of the HK government. Besides registration, for example, non-local courses should be accredited by some agency to ensure quality. To maintain the value of the overseas degree and the confidence of people towards such kind of overseas degrees is the main responsibility of the overseas providers. One interviewee analyzes, some (employers) would know whether this is a proper degree, but some may not know... because there are so many degree programs. I mean, if you talk to them about Harvard, Stanford, MIT, they know. But there are many universities. Many of them cannot tell the difference from one to another, particularly mid-range universities. So that's why I say something need to be done in Hong Kong actually. I mean it’s nice to have a free market.... Everyone can come in and compete, and so on. But then don’t forget that the market sometimes can fail.... I don’t want the government regulation, not interests in tight regulation... All are looking for is some self-regulations, that our providers should have their own discipline to not allow things like this (loose entry and loose exit) to happen. (1-D4)

The overseas providers should pay attention to the self-financed courses, particularly master degrees, offered by local universities. This portion is now expanding, and would form a competitor against the overseas provider. The following
analysis is given by one of interviewee. He observes,

*Up to the 1994, the competition of non-local degree courses, also degree courses, were least favorable...Hong Kong universities can provide similar programs to attract them and make people to get a higher degree after they graduate...the significance of non-local degree courses has been reduced because of the expansion of local higher education. Also, more people could afford sending children to go aboard.... In the past it offers degree courses. Now the competition between local universities and foreign universities are so-called master or doctor degrees...the battle was rocking from the first degree to higher degree... When Hong Kong local universities began to expand master degrees or research degrees, the competitiveness of non-local higher degree courses now again decreases. (1-A2)*

Keeping a close eye on the change of the non-local course market is necessary. Some courses may lose its popularity but some may bloom since HK is a free and competitive economy and need upgrading all the time. This would offer the overseas provider many opportunities in operating their courses in HK. The market for advanced learning in HK is always there. A huge need is still unmet by the local universities. As an interviewee analyzes,

*Hong Kong has always been what we called free market. Most things are not tightly regulated except, perhaps one or two areas they would be regulations, the financial would be regulated. I mean, mostly Hong Kong try to be a free market and also there is a need that’s not been met by Hong Kong local universities, then why not? And also the point would be that, if you look at, I mean, what options are you offering to the students who have the needs or the desires to do the degree, particularly for the working adults. The local universities are not offering it, they can not afford, and they can not quit the job and study overseas. It’s too expensive, they can not just say I’m not working, I’m going to study, not possible, right? So that’s why? Bt that’s a huge demand. (1-D4)*

Finally, the image-building should be incorporated into the strategic planning in offering the overseas programs.

*The main findings* are summarized as follows:

(1) The development of non-local higher education courses in HK are closely related to the limited capacity of expanding local higher education, free market economy, and current governmental policies.
(2) The main considerations of running non-local courses include: the quality of the program, the demand for the program, the mode of instruction, the medium of instruction, and no direct conflict with local courses;

(3) The system of registration, rather than of accreditation, is viewed a low and minimum requirement. Then it says nothing about the quality of the program;

(4) The competition between non-local and local degree courses is not much as expected, but the non-local courses still bring some positive impacts on local higher education institutions’ thinking.

(5) Impacts of non-local course on internationalization of higher education in HK are confined by its current characteristics of operation, including: 1) small operation scale; 2) no value added to the indicators of internationalization; 3) economic-oriented motivation of overseas institutions; and 4) lower possibilities of having interaction with the local institutions due to tight itineraries around Asia of professors from overseas institutions.

(6) Important messages to be noted for foreign providers, current and prospective ones, including: 1) providers should have done more to ensure the quality of the program; 2) there is still a huge need to be met; and 3) image-building should be taken seriously.

Concluding Comments

The main findings and discussion have its contribution in two aspects-theoretically and empirically. Theoretically, partnership is compared with the marriage. However, if taken it to apply the transnational higher education, it faces some challenges since a strong component of self-interest to be fulfilled for each side is more important. According to the main findings of the study, the partnership in running non-local courses is serving different interest. For provider institutions, it may be economic benefits, but for local partner institutions, it meets the market needs which are not met by the local universities. If the local needs could be met by the local universities, the market for non-local courses will be diminished. Therefore, the relationship between the local and overseas is temporary, and unfixed. The study agrees with what Matlin (2001) argues, ‘we need to take a more pragmatice view of partnership and perhaps it would be better to move away from the comparison with marriage,’

Empirically, introducing the TNHE to build a much more internationalizing environment in higher education should be accompanied by the existence of other conditions. The study reveals that the current operation characteristics of non-local courses does not contribute to the internationalization of higher education in HK.
However, the study results should not be over-generalized to deny the impacts of the TNHE on the internationalization of higher education. Introducing the TNHE, if taking more proactive and constructive route, rather than fulfilling the market needs, may bring the positive impact on the internationalization of higher education. Singapore, contrast to HK, is inviting the prestigious overseas universities to build itself into international destination for study for those students from Asia-pacific region.

Based on the main findings and discussion, suggestions on understanding the partners’ practical considerations are proposed as follows:

1) Image-building and reputation matter in running non-local courses.
2) Doing more than just let the course to acquire the exempt or registration.
3) Understanding the development of higher education of the partner countries would sharpen the views on the future needs of the local market.

References


Heffernan, T & Poole, D. (2005). In search of “the vibe”: creating effective


