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Review and a Radical Proposal

Gabriel HAWAWINI
2011/112/FIN

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October 2011

*The author wishes to thank Roger Mesznik (Columbia University), Mitchell Koza (Rutgers University), Jasjit Singh and Soumitra Dutta (INSEAD), Laurent Jacque (The Fletcher School of Law and Diplomacy at Tufts University), Around De Meyer (Singapore Management University) and Kris Olds (Wisconsin University) for their comments. Some of the ideas developed in this paper were first presented at a conference on “The Future of The Corporation” organized by The SEI Center for Advanced Studies in Management at the Wharton School of the University of Pennsylvania on November 16-17, 2006.

* The Henry Grunfeld Chaired Professor of Investment Banking, Professor of Finance at INSEAD, 1 Ayer Rajah Avenue, 138676 Singapore. Email: Gabriel.hawawini@insead.edu

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The Internationalization of Higher Education Institutions: A Critical Review and a Radical Proposal

We provide a critical review of the process called the “internationalization of higher education institutions” (HEI) with a closer look at the case of business schools. After offering an alternative definition of this phenomenon and examining the forces that drive international initiatives, we explain what we call the “internationalization paradox”: the observation that despite evidence that many of these initiatives fail to deliver what they promise, they nevertheless remain at the top of the agenda of heads of HEIs. We then develop a framework that identifies alternative models of internationalization. Based on this framework we sketch out a model of the truly global HEI whose mission is to *learn from the world* rather than *teach the world what the institution knows*. Our central thesis is that it is unlikely that HEIs will be able to transform themselves into truly global HEIs because of historical and organizational barriers rather than a shortage of resources or a lack of visionary leadership. We conclude that most HEIs should refrain from claiming that their aim is to become global institutions. They should instead focus on the successful implementation of an import-export model of internationalization that calls for initiatives such as the internationalization of the curriculum, the creation of student and faculty exchange programs, and the participation in international academic and research partnerships. Any attempt to transform themselves into truly global institutions is unlikely to succeed and may divert them from their fundamental mission to educate their home-based students and help them become effective global citizens.

1. INTRODUCTION

The internationalization of higher education institutions (HEI) is the subject of numerous reports, articles and books (Stearns, 2008; Spring, 2009; Wildavsky, 2010; AACSB, 2011). It is also an issue of great interest to policymakers because economic performance is affected by the growing cross-border flows of knowledge, knowledge-workers, and students (OECD, 2004; ACE, 2009a; NAFSA, 2010). The subject has also moved to the top of the agenda of leaders of higher education institutions who want to "internationalize" their institution and connect their organization, their students, and their faculty to a world that has been globalizing at an accelerating pace (NASULGC, 2004; NAFSA, 2011).

Scholars researching the phenomenon recognize that it cannot be easily conceptualized because it is a complex and multifaceted process (Knight, 2003a & 2003b; van der Wende, 2007). In practice, HEIs are launching a variety of international initiatives while announcing their ambition to become "global educational institutions". But a closer look at what is actually happening post-announcement shows that many of these initiatives have a marginal impact on the institutions that launched them and often fail to deliver what they promise.

How should we define and conceptualize the process called "the internationalization of higher education institutions"? What is its rationale? Why do many of these initiatives fail to deliver? Do words such as "global"¹, "transnational"², "cosmopolitan"³, and "ecumenical"⁴ that leaders of HEIs use to describe their institution, refer to the same or different models of internationalization? In this paper, we provide some answers to these questions. Our central thesis is that it is unlikely that HEIs will be able to transform themselves into truly global higher education institutions (a model of internationalization we define in section 8) not because they lack ambitious leadership or the required resources, but because of the weight of institutional history that is firmly grounded in a domestic setting, the existence of organizational inertia

¹ See Levin (2010), president of Yale University.

² See Lehman (2004), former president of Cornell.

³ See Tilghman (2007), president of Princeton University.

⁴ According to the Webster dictionary (2005) ecumenism means "promoting cooperation or better understanding among differing religious faiths". The president of New York University refers to the principle of ecumenism when discussing NYU's internationalization drive: "not ecumenism as a theological doctrine but ecumenism as a kind of progressive doctrine of social order." See John Sexton (2010a, 2010b).

(Hannan & Freeman, 1984), and the presence of regulatory and institutional barriers that make radical change within educational institutions difficult to implement. We argue that the truly global HEI may have to either evolve from an existing institution that was *born* international to begin with, or be created from the ground up based on a model of knowledge creation and dissemination that differs from our existing paradigms. We call this ultimate model of internationalization the **metanational HEI**⁵ and describe its logic and organizational structure in section 8. We also hypothesize that the metanational form of the HEI, if it emerges, may pressure national research universities to reconfigure their portfolio of research activities by narrowing down the breadth of their research programs (focusing on fewer but more specialized research programs) while extending the international scope of these more focused programs.

The rest of this paper is organized as follows. In the next section we revisit the standard definition of internationalization and offer a more relevant alternative. In section 3 we review the key forces that drive HEIs to internationalize. In section 4 we examine the costs and obstacles that often lead to failure and look at what we call the “internationalization paradox”: the observation that even though internationalizing a HEI is one of the most challenging academic and economic initiatives a HEI can embark on, it is also one of the most frequent initiatives that heads of HEIs put on their agenda. How can we explain this paradox? In section 5 we offer a taxonomy of HEIs that classifies them according to the extent of their **international reach** (from recruiting some foreign students to opening foreign campuses). In section 6 we argue that international reach alone does not fully capture the substance of the internationalization process and suggest a second, distinct dimension we call **international richness**. We then show in section 7 that, by combining the two dimensions of “reach” and “richness”, we are able to identify a number of alternative models of internationalization that help deepen our understanding of this phenomenon. In section 8 we sketch out a radical proposal of what a truly global higher education institution should be and conclude in section 9 that HEIs should refrain from claiming that their aim is to become global institution. They should instead focus on the successful implementation of an import-export model of internationalization that calls for the globalization of the curriculum, the creation of student and faculty exchange programs and the participation in international research projects. We argue that any attempt by a HEI to transform

⁵ We use the prefix “meta” to mean “going beyond” and “transcending”. See The Webster’s New College Dictionary” (2005) and Doz, Santos & Williamson (2001).

itself into a truly global institution is unlikely to succeed and may divert it from its fundamental mission to educate its home-based students and help them become effective global citizens.

2. AN ALTERNATIVE DEFINITION OF INTERNATIONALIZATION

The standard and widely cited definition of the internationalization of higher education is that it is “*the process of integrating an international/intercultural dimension into the teaching, research and service functions of the institution.*” (Knight, 1994, Knight & de Wit, 1997). Although this sentence captures the initial steps that are required to become international, we argue that it defines the process too narrowly by emphasizing the ability of an institution to introduce an international dimension into an existing structure and mode of operation, be it the student body, the curriculum, or faculty teaching and research activities. It does not capture the essence of a process whose ultimate goal should be to *integrate the institution into the emerging global knowledge and learning network* rather than *integrate an international dimension into the existing institutional setting*. The process should be outward-looking rather than inward-looking, emphasizing the institution’s capacity and ability to become an integral part of the world’s knowledge and learning “ecosystem” not only to benefit from it but also to contribute to its development.

With that view in mind, we propose the following, broader definition: *The internationalization of higher education institutions is the process of integrating the institution and its key stakeholders – its students, faculty, and staff – into a globalizing world.* This definition goes beyond the particular dimensions of teaching, research and service. It calls for a change in existing *structures, operating modes, and mindsets* in order for the institution to join and contribute to the shaping of the emerging global knowledge and learning network.

3. INTERNATIONALIZATION: MOTIVES AND BENEFITS

The forces that drive HEIs to internationalize have been classified in the literature (Knight, 2004; Stier, 2004) as *academic* (driven by a belief that education and research have a world-wide scope) or *economic* (driven ultimately by a need to find new sources of revenues and growth). Other motives could be *political* (driven by a desire to influence potential and actual opinion leaders to ultimately enhance the political standing of the institution’s country of origin) or

religious (driven by a desire to spread the faith of a particular religious organization)⁶. Political and religious motives rarely originate at the institution's level. These two motives are usually driven by policy makers and funded by private or government programs. For this reason we exclude them from consideration and focus only on the academic and economic motives.

Although these two motives explain why HEIs may benefit from internationalization, we conclude that they fail to capture the ultimate rationale that should underlie the logic of a truly global academic institution which is not to *teach the world* but to *learn from the world* in order to enhance the institution's capacity to create new knowledge and develop truly global citizens.

Academic motives for internationalization

Internationalizing to fulfill the institution's educational mission. When confronted with the decision to internationalize, the best starting point is the institution's educational mission. The key question to ask is thus: Does the institution need an international dimension to accomplish its mission and fulfill its ambition? The answer to this question should be positive for most HEIs.⁷ Even institutions serving local markets must, at a minimum, introduce an international component into their curriculum because we live in an interconnected world and students should understand this phenomenon and its far-reaching implications.

The next questions that need to be addressed are: (1) How far does the institution wish to extend its international reach? (2) Does the institution have the resources to implement an international strategy? The answer will vary in accordance with the institution's location, size, resources, breadth of international connections, and its ability to attract foreign students and a

⁶ Long before U.S. universities opened foreign branches in the Middle East and Asia during the recent past, some religious organizations were establishing HEIs abroad. For example the American University of Beirut (AUB) was founded in 1866 by missionaries as the Syrian Protestant College and the American University in Cairo (AUC) was established in 1919 by the United Presbyterian Church of North America. Today, these institutions are no longer denominational.

⁷ See for example Kwok and Arpan (2002) who surveyed 151 business schools (of which 102 were U.S. based) and report that 95.3 percent had a mission statement with 87.7 percent of those making a reference to international business as part of the school's education and research mission. Eight seven percent of the schools developed a strategic plan over a 5-year period (1995-2000) with 88.7 percent of those including some specific objectives related to global education and research.

faculty with an international perspective.⁸ Adapting the curriculum, attracting some foreign students, and having faculty with some international experience is the minimum an institution can do to be credible on that front.

Internationalizing to remain academically relevant in an interconnected world that is becoming increasingly global. Beyond the need to fulfill an institution's mission by offering a credible educational and learning experience, there is an academic reality no HEI should ignore if it wants to remain relevant. There are two dimensions to this phenomenon. The first is the demand from students and employers for courses, programs, and research topics that deal with global issues. The second is the competitive pressure emanating from peer institutions that have added an international dimension to their programs. As the increasing number of top-tier HEIs internationalize their offerings, often as a way to differentiate themselves, other institutions must respond or run the risk of losing the very best applicants and failing to attract qualified faculty.

Internationalizing to attract the best students and faculty worldwide. Although HEIs recruit students and faculty nationally, recruitment from abroad offers a fast way to enrich the student body and overcome the shortage of qualified faculty. An institution with a credible international strategy should find it easier to attract qualified foreign students and faculty because it is more likely to (1) know where outstanding foreign graduates and scholars are located; (2) have the required knowledge to properly evaluate the quality of potential recruits; and (3) be attractive to foreign students and academics given its commitment to be connected to the world.

Economic benefits of internationalization

Internationalizing to grow revenues. Local markets may have a limited number of qualified students. Even the top institutions that recruit the best students nationwide may face a shortage of candidates. Attracting outstanding foreign students is one way to increase revenues from existing

⁸ The English language is an important medium of instruction and research in the internationalization of higher education, a phenomenon that is clearly illustrated by the fact that most of the HEIs that deliver programs abroad and set up campuses in other countries originate in English-speaking countries, namely, the United States, Australia, the United Kingdom (OECD, 2004, 2009). Note that the phenomenon is not limited to these developed countries as illustrated by Indian HEIs establishing themselves in Singapore and the Emirates.

programs.^{9,10} If attracting qualified foreign students on the home campus is constrained by costs, travel restrictions, or the preference of potential candidates to remain in their home country, then the growth can be achieved by delivering the program abroad.

Internationalizing to reduce operating risk via geographical diversification. Operating risk is the risk of seeing enrollment in some programs drop as a result of changes in economic conditions that may reduce the pool of applicants, the occurrence of political events that may prevent students from traveling, or the presence of demographic factors that may reduce the size of the age group of potential university applicants. Offering a program abroad can shield revenues from these domestic sources of risk because revenues from educational markets around the world do not vary synchronously: countries are at different stages of economic and technological development and have different demographic profiles. These differences, in turn, produce different levels of demand for education around the world.

There is another aspect to this diversification phenomenon that is more cost-related rather than revenue-driven: An institution with programs abroad can redeploy its faculty from a home-based program with declining enrollment to a similar program delivered abroad that experiences rising enrollment thus providing some flexibility in scheduling faculty teaching load.

Internationalizing to fund activities in the home campus. Countries – such as Singapore, Qatar, and the United Arab Emirates – that want to become regional educational hubs are inviting foreign HEIs to establish campuses in their territories (Olds, 2007). To entice foreign HEIs to set up campuses abroad, host countries often provide funding to support research and development, not only locally but also at the institution’s home campus. Even though most HEIs establish foreign campuses primarily to increase their international reach, it is doubtful that many institutions would have gone abroad had they not received immediate financial benefits because of that decision.

⁹ Even though we list the desire to grow as an economic motive, growth does not have to be motivated exclusively by financial considerations: An institution may want to grow a program to achieve scale and credibility, and build reputation. In this case, the growth strategy is primarily motivated by academic and educational reasons.

¹⁰ Some public institutions around the world, most recently in the United Kingdom, have increased their recruitment of foreign students because these students usually pay full tuition whereas tuition paid by local students is often capped by government regulation.

Internationalizing to learn from the world

Although the educational and economic motives reviewed above explain why HEIs would benefit from internationalization, none of these reasons provide a complete rationale for a not-for-profit academic institution, particularly a well-funded research-based institution, to look beyond its local boundaries. As pointed earlier, *the ultimate benefit of internationalization for a HEI is to learn from the world, and not just to teach the world what the institution already knows in order to satisfy some educational and economic motives.*

Note that the teaching motive is based on the belief that the economic systems of countries around the world are becoming similar as an increasing number of developing countries adopt the economic policies of the developed ones. In this context, one can understand why some HEIs with a recognizable brand name may want to reach out to students from around the world who are seeking the knowledge and training that will allow them to operate effectively within that increasingly similar and interconnected economic space. And because the movement towards economic similarity does not imply that local cultures and customs around the world will converge, it does make sense for HEIs to send their students abroad so that they can familiarize themselves with other cultures and learn foreign languages.

An alternative view is that the global economy is being transformed into an increasingly complex network of interconnected but different economic areas each of which is endowed with the capacity to innovate and create knowledge. According to this multi-polar view of the world, knowledge will increasingly become dispersed throughout the globe. In this case, learning from the world becomes an imperative, particularly for a research-driven HEI. This is why HEIs should be present abroad: *to acquire that dispersed knowledge and meld it together to create new ideas and more advanced knowledge.* We return to this view of the world in section 8 when we describe the metanational higher education institution.¹¹

4. INTERNATIONALIZATION: OBSTACLES AND COSTS

¹¹ Another, often overlooked source of “learning” is the acquisition of best practice in, for example, teaching, program design, and research methods brought home by the faculty who have spent time in foreign HEIs, particularly through the partner institutions with which the school is offering joint programs.

We have seen that the potential benefits of a successful internationalization program can be high. Unfortunately, the path to internationalization is also paved with costly obstacles which can be grouped along academic and economic dimensions, in a manner analogous to the motives described in the previous section.

Academic obstacles to internationalization

Faculty lack of interest. Even though this phenomenon is reported in the literature (Stohl, 2007; Childress, 2010), its capacity to derail an institution's internationalization drive is often downplayed and little researched. The question raised in the literature is how administrators should “engage the faculty” and involve them in the institution's internationalization drive. But in general, the faculty is rarely opposed to the institution's objective to internationalize. Even though senior administrators can attract from among the faculty a number of individuals with a genuine interest in launching international initiatives, the majority is usually rather indifferent. The attitude is “as long as the institutional investment is not significant and I don't have to actively participate, it is fine with me”. One reason for this lack of faculty engagement – even at institutions that have put internationalization at the heart of their strategy – is that faculty contribution in this area is, surprisingly, not rewarded: It is rarely a criterion that is invoked to evaluate and/or promote faculty. Unless this dimension is explicitly recognized in the process of evaluation and promotion of the faculty, most of those drawn into internationalization initiatives will be haphazardly self-selecting faculty with a personal interest in the international dimension of education as well as adjuncts hired to teach mostly in the programs offered abroad.

Faculty resistance usually rises with the extension of the institution's international reach. It is often at its highest when the institution wants to establish a campus abroad – not because moving abroad can be personally inconvenient, but because scholars want to be near their colleagues¹² and they value academic freedom. Co-location and proximity to other scholars are seen as essential elements for creating a thriving intellectual and research environment. The issue of academic freedom arises when the host country does not subscribe to the same standards as those in the home country.

¹² According to Edward Snyder the former dean of the Business School at the University of Chicago "The globalization challenge is really tough. It's an organizational challenge. At its heart is that most faculty don't like to be divided." (Weitzman, 2010).

Internationalization may dilute the institution's reputation. Another expressed concern is the risk that the institution's reputation will be diluted if its foreign programs and degrees do not meet the same standards of admission, content, and delivery as those offered on the home campus. But one could argue that these concerns could be overcome by making sure that the standards are met. The objection is more subtle.

The question raised is whether the institution can deliver abroad the same academic and learning *experience* as the one provided on the home campus. It is after all the unique total experience gained on the home campus that leaves its mark on graduates and produces the loyal alumni who are one of the pillars of an institution's reputation. It is not surprising then that alumni – who often constitute the majority of an institution's governing board – are the ones most reluctant to embrace ambitious plans to extend their alma mater's international reach.

Economic costs of internationalization

International initiatives are risky and can be expensive. International initiatives can be costly not just financially but also in terms of time spent to create connections and links to potential partners around the world. And after suitable partners have been identified and partnerships agreements have been signed, time and effort must still be invested to develop them and draw from them the potential benefits they can deliver. For many institutions this exercise diverts attention and resources away from pressing home-based issues. And the responsibility for international initiatives cannot be completely delegated: this is one area where the head of the institution must remain involved. This requires much travel to meet international partners and keep partnerships active.

Financial support from international alumni may be lower. Donations and financial gifts from international alumni are, in general, lower than those from domestic alumni. This phenomenon is particularly relevant to American HEIs because, contrary to HEIs in most other countries, U.S. institutions rely on alumni donations to fund their activities. There is also the concern that an increase in the number of international students may come at the expense of fewer admissions of domestic students, a phenomenon that would limit the ability of admitting children of alumni. This too may reduce future donations particularly in countries like the United States and the United Kingdom.

The internationalization paradox

If implementing successfully an internationalization strategy is one of the most challenging academic and economic initiatives a HEI can embark on, why is it also one of the most frequent initiatives that heads of HEIs put on their agenda? How can this paradox be explained? Our first hypothesis is that the paradox can be explained by invoking a simple cost-benefit argument. The flow of costs and benefits of an international initiative accrue at an *asynchronous* rate: the *immediate* benefits of the announcement far exceed the *initial* costs of the initiative. Announcing that the institution wants to be (more) international is an uncontroversial *long-term* objective that is usually favorably perceived by the institution's stakeholders. It raises the institution's visibility and signals that even though the institution is local, regional or national it is fully aware of the international dimension of education and research and intends to engage in the process. And because internationalization is a *multiple-step process*, it can be launched with low-cost initiatives such as the intention to internationalize part of the curriculum and the student body, and the pursuit of collaboration agreements with foreign HEIs from around the world.

Our second hypothesis is that once an institution has embarked on extending its international reach it usually discovers that the *marginal* benefit of an additional initiative is rapidly overwhelmed by rising *marginal* costs and higher academic obstacles. To compound the challenge, it is often difficult to discern the problem early enough to reduce the commitment or cancel the initiative. This is a situation that a number of HEIs have faced in their foreign campuses where actual enrolment numbers often did not match their ambitious targeted levels (Altbach, 2011).

5. INTERNATIONAL REACH

The internationalization of HEIs is an evolving, multi-dimensional process. It typically begins with initiatives to internationalize the student body and the curriculum (Kreber, 2009), extends to the internationalization of the faculty and programs, and culminates, for some HEIs, with the internationalization of their presence in the form of distributed facilities or campuses around the world. The current literature on the internationalization of HEIs is replete with articles and books that provide checklists of initiatives a HEI can adopt to embark on the road of

internationalization. But checklists of activities without a logical classification framework are not very useful. To remedy this limitation, we provide in this section a simple framework that classifies these initiatives in a logical fashion in relations to alternative approaches to internationalization. There are several questions that need to be addressed before starting an internationalization program.

First, the “unit” being internationalized needs to be identified: Is it a specific program within a school, a particular school within a university campus, or an entire university system? Creating an international or global program that represents a relatively small percentage of the activities of a national school or university will clearly not turn that institution into an international one. The relevant unit to internationalize is either an entire school within a university or the university as a whole. Many of the examples cited in this paper are drawn from the business education sector because business schools have been at the forefront of the internationalization movement (AACSB, 2011), particularly non-U.S. business schools that often operate more independently (from university-wide policies) than their U.S. counterparts. The second issue that needs to be addressed is the dimensions of the institution that will be internationalized: Is it its curriculum, its student body, its faculty, its research activities, its staff, its board of trustees or a combination of these?

The third and most important issue is a strategic one: Which model of **international reach** should the HEI adopt to execute its internationalization strategy? We describe in this section five models of international reach: (1) the **import model**; (2) the **export model**; (3) the **academic joint-venture model**; (4) the **partnership model**; and (5) the **foreign-campus model**. These models are neither mutually exclusive (e.g., most institutions are both importers and exporters) nor sequential (e.g., an institution may open a campus abroad without having engaged in academic joint-ventures or partnerships).

We can classify alternative **internationalization initiatives** according to the model of international reach the HEI has adopted to internationalize its curriculum, student body, and faculty, as shown in Exhibit 1. Each cell provides a set of initiatives with the simplest listed first followed by initiatives that are more challenging to implement. Note that the internationalization initiatives listed in the exhibit are not necessarily more challenging to implement when moving down a column (different models of international reach) or moving to the right of the exhibit (from curriculum to faculty). For example, infusing a global dimension into the curriculum is

generally harder to achieve than attracting foreign students or creating a joint-degree program with another institution (Burn, 2002). After an extensive survey of the curriculum offered by business schools, Ghemawat (2009) concluded that “Overall, then, it seems that top business schools’ globalization efforts focus very heavily on diversifying the national origins of their students and on international partnerships. Along the critical content-related dimensions of course development and research, in contrast, schools haven’t done nearly as much to globalize. This globalization gap is a problem because diversity and mobility initiatives, far from substituting experience for globalization-related content, seem to increase the need for such content by expanding the scope of business schools’ activities.” We can now turn to the examination of each of the five models of international reach.

Importers

Importers aim at “bringing the world to their campus”, that is, attracting students, faculty and staff from around the world to the institution’s campus with the largest possible number of nationalities represented in their programs, faculty, administration, and governing body. By bringing together in a single location students and faculty from different countries, importers maximize the chance of direct interactions and cross-cultural learning. Their success in creating an international culture on their campus depends on the number and quality of the foreign students and faculty they attract and their ability to reduce the pressure that the domestic environment and the local culture exert on both students and faculty. But even if importers are able to create an international culture on their campus and shield it from a strong domestic environment, the model has an inherent limitation: A campus populated with foreign students and faculty is unlikely to provide the equivalent of the international experience students and faculty would gain had they been physically working and studying in other countries.

Exporters

Exporters send their students abroad via student-exchange agreements with foreign HEIs, deliver programs abroad, and encourage their faculty to visit foreign universities to teach and do research. Even though the faculty delivers courses off-site, the school’s home campus remains at the center of the entire system. These off-site courses are usually provided in rented facilities to

students located in the host country and may include students from the home campus. The main advantage of this model is that it exposes students and faculty to other countries and cultures thus enriching their knowledge and experience. It is assumed that they can then transfer these benefits back to the home campus.¹³

Many educational institutions have established exchange programs with a large number of institutions around the world whereby students from one HEI spend part of their program attending courses in one or more of the partner institutions. As the number of HEIs involved in such programs rises, managing the exchange, ascertaining consistency between courses and monitoring standards across schools can all become increasingly complex. There is also the lurking danger that the exchange program becomes a routine process with little added value beyond the opportunity for students to visit another country and mix with foreign students. Another issue is the need to carefully manage the scarce resources of faculty time as the school sends them around the world. In general, successful exchange schemes have a limited number of partners who work closely together around a well-designed program that does not involve a large number of students and faculty. However, they do not provide the stimulus that is required to turn the institution into a truly global one.

Academic Joint-Ventures

A path to internationalization that has been chosen by many HEIs is the international joint-venture (JV) model. These international JVs often start as student-exchange programs, offering students in undergraduate or graduate programs the possibility of spending some time in the foreign institution, and eventually evolve into *academic* or *curricular* joint ventures in which institutions located in different countries design and deliver joint programs, with graduates receiving either a single co-signed degree or two separate degrees, one from each of the institutions involved in the joint program.

But establishing an international program (alone or through a JV) does not internationalize the institution that set it up. Because these programs usually operate within silos, they are not

¹³ Online courses (listed in Exhibit 1 under curriculum) are an example of a pure curriculum export model. These “virtual exporters” offer their programs to students located anywhere in the world but, contrary to “physical exporters”, they do not provide the students and faculty with the exposure to foreign countries and cultures. See, for example, www.uopeople.org.

effective vehicle for *institutional* internationalization. Worse: They often have the unfortunate effect of sheltering the institution's core from a broader internationalization strategy on the pretext that the program is sufficient evidence of the institution's commitment to internationalization.

In the business education sector, international JVs of this nature exist primarily to deliver International Executive M.B.A. programs in which the students who hail from many countries around the world attend modules offered in each of the participating schools' campuses and possibly in other locations. Interestingly, these programs are usually ranked above those offered by single institutions,¹⁴ probably because they provide the fastest and most effective way to expose students to comparative business practices in different regions of the world. But one claim partners often make rarely materializes: the joint program is usually presented as a platform for the partnering schools to carry out joint international research projects. However, there is no evidence for this is actually happening.

International academic JV programs present the same challenges that exist in any business alliance. There is increased management complexity and more sources for potential conflicts because of differences in the quality or philosophy of the institutions involved. These issues often undermine the long-term sustainability of these relationships.¹⁵

Academic partnerships, alliances and consortia

Two or more HEIs can also form broader international partnerships, committing to collaborate on several initiatives (student and faculty exchanges, joint programs, faculty research, etc.). They would agree to open their respective courses and programs to students enrolled in the partner's institution. If students attend a sufficient number of courses in each institution, they can receive

¹⁴ According to the Financial Times (www.rankings.ft.com/businessschoolrankings/emba-rankings-2010), the top three programs are the partnerships between Northwestern University and HKUST, London Business School and Columbia University, and HEC (France), New York University and the London School of Economics.

¹⁵ Ed Snyder, the former dean of the Business School at Chicago University remarks that (Weitzman, 2010) "People point to some very successful joint ventures but there are a lot of joint ventures that haven't gone very well. ...The schools that have done joint ventures for the most part will have to move away from them. ...Schools will have problems with career services and alumni relations, admissions, branding, positioning. ...The joint venture stuff will run into quality problems."

two degrees, one from each institution. Faculty from one institution could teach their load in the partner's institution. Common research funds are created to support research projects carried out by teams of faculty members from both institutions. The partnership can also enter into academic joint-ventures to create new joint programs.

Examples of alliances and consortia between universities include the International Alliance of Research Universities and Universitas 21.¹⁶ An example of an international alliance in the business education sector is the one established in 2002 between the Wharton School of University of Pennsylvania and INSEAD, the international business school with campuses in France and Singapore. Students enrolled in one school's MBA program can attend courses offered by each institution. They also have access to the placement services of the partner institution. Faculty could teach part of their load in either institution.¹⁷

Because of their breadth, academic partnerships are even harder to keep going and develop than JV programs. To avoid mounting misunderstanding after academic partnerships and JVs are launched, the partners are advised to agree from the outset on a number of key issues that include: (1) *Purpose* (what do partnering institutions want to achieve and what are their respective motivations?); (2) *Scope* (what activities fall under the partnership?); (3) *Exclusivity* (is the venture an exclusive relationship between the partners or can a partner forge other ventures with other schools?); (4) *Finance* (how are revenues, costs, and surpluses/deficits shared between the partners?); and (5) *Governance* (how are objectives set and how are conflicts resolved?)

Campuses abroad

Some HEIs have gone one step beyond being importers, exporters, or joint-venture and alliance partners to extend their international reach through a physical presence abroad, not unlike the direct foreign investment of firms (Kim & Zhu, 2009), by establishing full-fledged campuses abroad in which temporary or permanent faculty and staff are posted and where local or international students attend a variety of courses throughout the year. As noted earlier, some institutions would rent facilities abroad which they use to deliver programs without any

¹⁶ See www.iaruni.org and www.universitas21.Com. See also <http://globalhighered.files.wordpress.com/2007/10/consortiafinal3.pdf>

¹⁷ See www.insead.edu/alliance/

permanent faculty stationed there (the faculty is flown-in to teach a course and then flown-out to return to the home campus)¹⁸. Others may have offices abroad that provide contacts as well as logistical and research support to faculty members who are doing research in foreign countries¹⁹. Because these arrangements do not involve the same commitment of resources that a full-fledged campus would require, we consider them vehicles that facilitate a school's internationalization process rather than a strategic commitment to extend the institution's international reach. The last row of Exhibit 1 summarizes various aspects of the campus-abroad model.

The number of branch campuses has risen steadily over the last decade and stood at 183 in March 2011 (C-BERT, 2011). Half of these branch campuses belong to American HEIs (ACE, 2009b). In the eighties and nineties most of these campuses were located in Europe and Japan. During the past decade the Gulf countries (Qatar and the United Arab Emirates) and Asia (Singapore and China) have experienced the highest number of openings. The decision to open a campus abroad is driven by both supply and demand factors. The supply comes from a home institution that wants to offer its programs to foreign students who could not, or do not want to go abroad to study. The demand originates from a host country that wants to attract HEIs to its territory in order to educate the local population and/or become an international education hub. The foreign campus could, in some cases, also host students from the home campus who wish to study abroad for part of their program.

Despite a few well publicized failures and retrenchments, mostly caused by poor planning and weak execution²⁰, most of these branch campuses have been operating well so far. But, with a few exceptions, they exert only a marginal impact on the effort to internationalize the home campus. This is the same observation we made earlier in the case of international JV programs. Because these initiatives are usually designed as an independent add-on to an institution's core activities they fail to internationalize the home campus which should be the ultimate purpose of these internationalization initiatives.

¹⁸ We refer to this approach as the FIFO model (**F**aculty-**I**n, **F**aculty-**O**ut) as opposed to the LIFO Model where faculty **L**ives in the **F**oreign country.

¹⁹ Harvard Business School has been an early adopter of the model of distributed research centers located in many countries around the world to support faculty who are writing case studies and conducting research. See www.hbs.edu/Global/

²⁰ Examples include Duke University in Frankfurt (2002); University of South Wales in Singapore (2007); George University in Ras Al Khaimah in the Emirates (2009); Michigan State University in Dubai (2010) and many institutions in Japan in the eighties. See (Altbach, 2011).

6. INTERNATIONAL RICHNESS

While the international initiatives listed in Exhibit 1 capture the extent of an educational institution's international reach, the concept remains nevertheless one-dimensional. To see this limitation, consider the following hypothetical example: Institution A has a home campus in which 20 percent of the students are foreigners. It also has two campuses abroad where 80 percent of the students are locals who rarely travel to the home campus and who are taught by a mix of faculty from the home campus on short-term assignment on the branch campuses as well as visiting faculty from the country in which the branch campuses are located. Institution A also has student-exchange agreements with twenty foreign HEIs in which 10 percent of its students are enrolled. In contrast to Institution A, Institution B has a single campus in which 80 percent of the students are non-locals. It does not offer exchange programs and is not engaged in any international partnerships. Which institution has gone farther in its internationalization process? The answer is not obvious. With its two foreign campuses and its international agreements to exchange students, Institution A has more international *reach* than Institution B. But Institution B has more international *richness* because its single campus has a very high percentage of international students interacting with one another in the same location.

These two dimensions of internationalization are combined in Exhibit 2. The vertical axis measures an institution's international reach and the horizontal axis its international richness. International reach widens when we move up along the vertical axis, going from institutions whose activities take place on a unique campus to institutions with multiple campuses around the world. International richness deepens when we move to the right on the horizontal axis as the percentage of non-local students on *each* of the institution's campuses rises²¹. Institution A, the one with high international reach but low international richness, is located on the upper left-side of Exhibit 2 whereas Institution B, the one with high international richness on its single campus is located on the lower right-side.

HEIs around the world have, on average, no more than 20 percent of foreign students. Statistics compiled by the OECD (2009) indicate that in 2007 only seven countries had more

²¹ Note that Exhibit 2 does not capture the percentage of foreign faculty and staff. But one could construct an index of international richness that captures the percentage of both foreign students and foreign faculty and staff.

than 10% of international students as a percentage of total post-secondary enrolment: Australia (19.5%), Great Britain (14.9%), Switzerland (14.0%), New Zealand (13.6%), Austria (12.4%), France (11.3%), and Germany (11.3%). The corresponding figure for the United States was 3.4% with no single American university having more than one quarter of its students who were international.²² Turning to the statistics for business schools around the world, Exhibit 3 reports the percentage of international students, faculty and board members listed in the Financial Times Global MBA ranking in 2010.²³ European and Asian programs have, on average, much higher percentages of foreign students and faculty than U.S. programs and their schools have boards that are more international than those of their American counterparts.

Cultural dominance

One could argue, however, that there is more to international richness than the proportions of foreign students on campus. There is also the issue of *cultural dominance*, that is, the ability of a dominant group of local students to impose its mode of thinking on the non-local students. Consider the following example: One institution has 30 percent foreign students coming from 80 countries. Another institution has 90 percent foreign students coming from 40 countries with no foreign nationality exceeding 10 percent of the student body. We could argue that the latter has more international richness despite a lower number of nationalities because there is no *dominant culture* on campus given that no nationality exceeds 10 percent of the total student body.

Assimilation traps

Creating a rich international learning environment is a real challenge. Major obstacles, which we call “assimilation traps”, must be overcome. The trap operates at two levels: at the institution as a whole and in specific programs within the institution. At the institutional level, the assimilation trap refers to the pressure the institution faces to serve primarily the educational needs of its local

²² The University of Southern California has the largest enrolment of international students (over 7,000 students in 2009-10 making up 19 percent of total enrolment). Some of the institutions with the highest percentage of international students are Columbia University with 23 percent and Harvard University with 21 percent (See the Institute of International Education (www.iie.org) and the universities’ websites.

²³ See www.ft.com/intl/businesseducation/mba2010

market. At the individual level the trap refers to the tendency of students to adopt the norms and views expressed by the dominant culture present in the classroom.

The *institutional assimilation trap* is most difficult to overcome when the local market is very large. In such a market, the institution must educate primarily the large number of local students. This is why, for example, business schools in large countries such as the United States, India, China, and Brazil are unable to transform themselves into schools with deep international richness – there is simply a limit to the number of foreign students they can enroll. The same phenomenon is at work even in the case of international schools established in large countries. For example, the China-Europe International Business School (CEIBS) is today essentially a Chinese business school because it has to meet the strong demand from qualified local students. And it is not surprising that the schools with the largest number of foreign students are mostly located in small countries with limited local demands (The Netherlands, Switzerland, and Singapore).

The *individual assimilation gap* is more subtle. Consider a classroom in a U.S. business school where 80 percent of the students are American and 20 percent are foreigners coming from a large number of different countries. Keep in mind that the foreign students are in the U.S. school because they seek a U.S. education, not an international one. They thus often tend to adopt an American perspective in class discussions and are often reluctant to share with their classmates an alternative perspective drawn from their home experience. There is even a pernicious side effect: American students get the false impression that foreigners think like them thus mitigating the original objective of having foreign students in the classroom to expose the locals to different perspectives.

How to avoid the individual assimilation trap? One way is to create a classroom where there is no dominant nationality or culture, that is, where everyone is in a “minority” position and hence freer to express themselves and share their personal experiences without the pressure to subjugate their own experience to that of a dominant culture.

7. THE INTERNATIONALIZATION MATRIX: ALTERNATIVE TYPES OF HEIs

We can now construct the **internationalization matrix**, shown in Exhibit 4, in which alternative types of HEIs are identified. On the lower part of the matrix are single-campus institutions that could be *importers* (all the institution’s activities are delivered in a single campus with no

student and faculty exchange programs), *exporters* (single-campus institutions with student and faculty exchange programs, and some programs offered abroad), *partners in academic joint-ventures* (single-campus institutions with international programs developed with non-local institutions and delivered abroad), *partners in broad partnerships and alliances*, or combinations of these. Depending on their international richness, these institutions can be classified as **national HEIs** (they have a low percentage of foreign students and faculty), **international HEIs** (roughly one quarter to three quarters of their students are international, that is, some institutions are more international than others), or **cosmopolitan HEIs** (their students and faculty are mostly non-local and there is no dominant nationality or culture on their campus). Exhibit 5 provides a description of the internationalization initiatives these institutions typically adopt in their curriculum as well as the profiles of their student body and faculty members.

On the upper part of the matrix in Exhibit 4 are institutions with campuses located abroad. Depending on the international richness in each of their campuses, these institutions can be classified as **multicampus HEIs** (their campuses around the world are populated mostly with local students), **multinational HEIs** (the number of international students on their campuses does not exceed, say, half of the student body), **transnational²⁴ HEIs** (roughly one half to, say, three quarters of their students and faculty are non-locals), or **metanational HEIs** (all their campuses have a cosmopolitan student body and faculty). Exhibit 6 provides an explanation for the rationale underlying the decision of each of these institutions to establish campuses abroad, sketches out the differences in their organizational and campus structures, and describes how the curriculum, the student body, and the faculty are deployed within the different campus structures. We now turn to the examination of the seven types of HEIs shown in Exhibit 4 and the corresponding summary of their characteristics provided in Exhibits 5 and 6.

National HEIs

Most HEIs around the world fall into this category. They are located in the bottom left-side cell of the internationalization matrix in Exhibit 4. Their mission, understandably, is to educate local students. Internationalization is a welcome benefit but not a priority. They have low-to-medium international reach and a low international richness. They typically adopt a small number of

²⁴ It is important to note that we do not use the terms “multinational” and “transnational” in exactly the way they are used to describe firms in the international business literature.

internationalization initiatives: a curriculum that includes some courses with an international perspective when relevant to the course's subject matter, the presence of some foreign students on their campus and some faculty with an international experience. The second column in Exhibit 5 provides a comparative summary of these institutions' degree of internationalization.

The world's best universities are national HEIs. Consider the following statement by a former president of Harvard University "One way we promote international understanding is by including opportunities to study and work abroad within a Harvard education. Equally important is the commitment to bringing international students here to Harvard. Harvard is and will remain an American university. But it must be a university that increasingly welcomes students from all over the world if it is to provide the best possible learning environment for American students and if it is going to meet its obligations to the world." (Summers, 2005).

International HEIs

HEIs with a percentage of foreign students ranging from moderate to high (say from 25 percent to 75 percent of the student body) are called "international". They are located in the bottom middle cell of the internationalization matrix in Exhibit 4. They have a medium to strong international richness because they attract a large percentage of foreign students on their single campus. They have a low to medium international reach depending on the extent of their international partnerships and academic joint ventures. The third column in Exhibit 5 provides a comparative summary of the characteristics of this type of HEI.

As Exhibit 3 indicates, most top business schools located in the U.S., Europe and Asia that offer "Global MBA Programs" fall into the "international" category. As pointed out earlier, these statistics do not imply that the schools that offer these programs are international: with a few exceptions, the so-called "Global MBA Programs" represent a small percentage of the schools' overall activities, the bulk of which is locally focused. Calling some of these programs "Global", particularly the U.S. programs, is a misnomer because of the relatively small percentage of international students they enroll. Furthermore, these full-time MBA programs are typically offered on the school's unique campus. In other words, these programs and the schools that offer them are "international at home" as opposed to being "international abroad".

Cosmopolitan HEIs

When the percentage of international students and faculty are very high (say, more than three quarters), the single-campus institution is referred to as a “cosmopolitan higher education institution” as shown on the bottom right-side cell of the internationalization matrix in Exhibit 4. Its comparative characteristics are described in the last column of Exhibit 5. The word “cosmopolitan” correctly describes this type of HEIs because it means “having constituent elements from all over the world or from many different parts of the world” (American Heritage Dictionary, 2009). In other words, these institutions are world-wide importers of students, faculty and knowledge making their campus a “global meeting place” that has no dominant nationalities and cultures with English used as the common language of instruction and communication among students and faculty.

Unlike national and international HEIs, the cosmopolitan HEI must be disconnected from the local socio-economic and political environment in which its campus is located in order to avoid the “assimilation traps” described earlier. Its students and faculty must believe that despite their different backgrounds and cultures they share binding similarities that allow them to work together more creatively than culturally homogeneous groups.²⁵ The most successful example of this model in the business education sector is IMD in Lausanne (Switzerland) where 99 percent of the students enrolled in its MBA program and 98 percent of the faculty are non-Swiss nationals.²⁶

The transformation of a national HEI into an international/cosmopolitan one will be quite difficult if not impossible to achieve. As a matter of fact any attempt to achieve that transformation would not be justified and would violate the institution’s mission to educate local students.²⁷ It is important to realize that the few HEIs that are today international/cosmopolitan have not achieved that structure through radical transformation. They were actually created with

²⁵ For a full development of this concept of “cosmopolitanism” see Appiah (2006).

²⁶ See www.imd.org and Exhibit 3 where IMD is the school that offers the MBA program with the highest percentage of foreign students and faculty among all ranked schools.

²⁷ According to the president of Yale University, Richard Levin (2010), the goal of his institution “is to become a truly global university—educating leaders and advancing the frontiers of knowledge not simply for the United States, but for the entire world.” According to our suggested taxonomy, this goal would not make Yale University a global university: with Americans making up 83 percent of its student body Yale remains a national university with an internationalization program based on a credible import-export orientation.

an international/regional mission from the outset. Over time, they opened up to the world while reducing their regional dimension.²⁸ This phenomenon suggests that it is easier to create a cosmopolitan HEI from scratch than transforming an existing national HEI into a cosmopolitan one.

HEIs with campuses abroad

We now turn to the examination of the four types of HEIs that have campuses abroad: The multicampus HEI, the multinational HEI, the transnational HEI, and the metanational HEI. They are positioned in the four upper cells of the internationalization matrix in Exhibit 4 and their comparative characteristics are described in Exhibit 6.

The multicampus HEI has campuses abroad to *teach* the world what it knows. It is primarily driven by a “missionary” motive whereas multinational and transnational HEIs go abroad to *experience* the world while retaining the substance of what they are. They are primarily driven by a “discovery-to-understand” motive (they are explorers rather than missionaries). In contrast to these three types of HEIs, the metanational HEI has a worldwide presence for an entirely different reason: It seeks to *learn* from the world, including the *accidental* home base. It is primarily driven by a “learning-to-augment-knowledge” motive. Its worldwide presence is thus its *raison d’être*, not a foreign journey to teach or experience the world.

Clearly, the four types of institutions with campuses abroad have very different underlying “philosophies” of internationalization that are based on different views of economic and technological development as well as different concepts of knowledge location and dissemination as indicated in Exhibit 6. For the multicampus HEI, the *speed* and *level* of economic and technological development differ widely across countries and knowledge originates mostly in the home institution. Hence the opportunity to teach the home-generated knowledge to the less developed regions of the world that actively seek this knowledge transfer through campuses established in their territory. There is no undertone of neocolonialism here: The host countries are eager to attract these institutions and help them open these campuses.

²⁸ The business school INSEAD (www.insead.edu) is an example of a school born European with a heavy French representation that evolved into a cosmopolitan school. Note however that INSEAD, like IMD, are independent institutions that are not affiliated with a university contrary to the case of most U.S. business schools. This independence has allowed these schools to evolve into the cosmopolitan model unhampered by the constraints imposed by a broader university.

For the multinational and transnational HEIs, the underlying view is that economic and technological development follows different paths across countries because of societal and cultural differences, meaning that countries/regions develop through *indigenous* processes, methods, and policies that are not like those prevailing in the home country. Hence the need to expose students and faculty to these differences to allow them to acquire an appreciation for different approaches and help them breakaway from the belief that there is only one way to solve a problem or get things done.

For the metanational HEI, the underlying view is more complex: there are different *models* of economic and technological development across countries (not just different *methods*, *processes* and *policies*). The existence of these different models across the world means that knowledge is not located in a single place but dispersed around the world. The implication is that this dispersed knowledge should not only be “harvested” world-wide and also blended together to create new, higher-value knowledge. Hence the need to learn from the world (Doz, Santos, Williamson, 2004). Below, we examine how these different motives and views affect the structure and organization of the four types of the HEI with a presence abroad.

Multicampus HEIs

The multicampus HEI opens and operates satellite campuses abroad to deliver the institution’s programs in a host country while the home-campus remains dominant and in full control over the branch operations. The multicampus HEI – located in the upper left side cell of the internationalization matrix in Exhibit 4 – has wide international reach but very limited international richness. An example of this type of HEI is the campuses established by some universities in the gulf region in the Middle East. Several foreign HEIs have opened branch campuses in Qatar’s Educational City (Cornell Medical College, Carnegie Mellon University, Georgetown University School of Foreign Service, HEC Paris, Northwestern University, Texas A&M University, University College London, and Virginia Commonwealth University).²⁹ Others have moved to Abu Dhabi (New York University and The Sorbonne, the French University).³⁰ The host countries wanted to attract some of the world’s top universities to deliver programs that are *identical* to those offered on the home campuses. The students, mostly from

²⁹ See www.qf.org.qa/education.

³⁰ For NYU see <http://nyuad.nyu.edu/> and for The Sorbonne see www.sorbonne.ae.

the region, receive the *same* degree they would have obtained had they taken the program in the United States or France, and are taught by faculty and staff from the home countries posted to the branch campus to deliver the home-campus programs.

The advantage of the multicampus structure is that it allows the HEI to educate students who would not have come to the main campus, thus fulfilling the international dimension of their core educational mission by reaching out to these students. Another benefit is that the branch campuses generate loyal alumni around the world. The weakness is that these campuses add little value to the system beyond an increase in reach and size as well as growth in revenues. There is little institutional learning taking place because the institution “clones” itself abroad: Faculty delivers exactly the same program and students have little opportunity to learn from each other since they all come from the same region.

The success of the multicampus HEI is based on a number of critical conditions: (1) the home campus must have a strong “educational brand” and be recognized as a knowledge creator to be attractive to the host country; (2) the knowledge must be relevant to students in the branch campuses and easily transferrable from the home campus to the branch campuses; (3) the host country must support the move to open the branch, not interfere in the institution’s *modus operandi* and program content, and guarantee academic freedom; (4) there must be enough local students willing to enroll in the branch campus who meet the home-campus admission standards; (5) the faculty and the institution’s governing board must agree to deliver the same degree in the branch campuses³¹; (6) the faculty and staff must be willing to settle abroad; (7) senior administrators from the home campus must be willing to travel frequently to oversee operations at the branches and maintain the quality of the programs; and (8) graduates must be able to find local and regional jobs that use what they have learned.

Multinational HEIs

The multinational HEI consists of a “federation” of semi-autonomous campuses located in different countries offering *different* programs with students taking courses in more than one campus (hence the name “multinational” to describe a HEI that has multiple national campuses

³¹ For example, Yale University announced in 2011 that it is establishing Singapore’s first liberal arts college with the National University of Singapore but will not offer a Yale degree to the graduates (<http://opac.yale.edu/news/article.aspx?id=8396>).

that are different from each other as opposed to branches that offer the same program and degrees as those of the home campus). The multinational HEI – located in the cell adjacent to that of the multicampus HEI in the internationalization matrix in Exhibit 4 – has wide international reach and moderate international richness because the foreign campuses are mostly populated with local students. Note that in contrast to the multicampus HEI, the multinational HEI allows students to circulate among its various campuses and take courses in different locations taught mostly by local faculty. Students receive multiple degrees or a diploma specifically designed to take advantage of this diversity of courses.

An example of the multinational HEI is the French management school ESCP-Europe which currently has campuses in France (Paris), Germany (Berlin), the United Kingdom (London), Spain (Madrid), and Italy (Turin) with permanent, mostly local faculty posted in each campus³². Students who have studied for at least two years at the undergraduate level in their home country can apply for a 2-year Master Program that requires them to spend one academic year on each of two of the five European campuses and thus receive two nationally-recognized degrees. Because coursework and internships are in the local language, students must be bilingual. The advantage of this structure is that students have the opportunity to immerse themselves for a year in the local culture and business practices of the country in which the campus is located. There is, however, no fully integrated curriculum because students in effect take different programs in each of the three countries.³³

Transnational HEIs

The transnational HEI shares the same motive and underlying views of the world as the multinational HEI (see Exhibit 6). The difference between the two types of HEIs is that the transnational has a more integrated structure: It is one institution with fully interconnected campuses around the world as opposed to a looser federation of semi-autonomous local schools. It also differs from the multicampus institution in that its campuses are not branches or foreign extensions of a main campus but equally important “partners” within the system. Furthermore,

³² See www.escpeurope.eu.

³³ This seems to be the approach adopted by the founders of a K-12 international school that is expected to start operating in New York City in 2012 and eventually in a number of other cities around the world. See www.avenues.org.

the transnational HEI has a larger population of international students (it is located in Exhibit 4 in the cell to the right of the multinational HEI) and allows its students to circulate between its campuses to fulfill the requirement to obtain the same degree irrespective of the campus location. The label “transnational” captures the fact that the institution “reaches beyond or transcends national boundaries” while its international structure means that it is free from any strong national identity.³⁴

A good example of this type of HEI, drawn from business schools, is INSEAD which was established in the late fifties as a European business school located in France.³⁵ In the late nineties, the school decided to open a campus in Singapore in which it offers the same programs as in its campus located in France to students coming from all over the world. The size of the Singapore campus is now closer to that of the campus in France. MBA students are admitted to INSEAD and not to a particular campus. They can complete the program in one of the two campuses or move between the two locations, an option that two thirds of the students exercise.

8. THE TRULY GLOBAL HEI: THE METANATIONAL MODEL

Are multicampus, multinational, and transnational HEIs truly global institutions? They do have campuses abroad but the first type of HEI delivers the same program to local students around the world, the second type delivers different local programs to students who spend some time abroad, and the third type delivers the same program to international students who are encouraged to move between the institution’s campuses. Note that the multicampus HEI is in essence an exporter of its home-grown program, the multinational HEI is in effect a structural formalization of a student-exchange program, and the transnational HEI consists of a closed system made up of an integrated collection of international campuses located around the world. A truly global institution should go beyond these structures: It should be an open and fluid system spanning the world, free from a home-campus bias and driven by a desire to learn from

³⁴ A former president of Cornell University, Jeffrey Lehman (2004), described his institution in these words: “Cornell is, to me, an outstanding example of a transnational institution. When I use the term transnational institution, I am evoking the notion of transcending but not abandoning national identity, viewing the world from a perspective that stands outside our country without feeling a need to pledge allegiance to some new global substitute for the nation-state.” According to our framework, we would classify Cornell, with its medical school in Qatar, as a multicampus institution rather than a transnational institution.

³⁵ See www.insead.edu.

the world to create new knowledge; in other words, it should be an interconnected and integrated global learning and knowledge *network* made up of *complementary* campuses that operate in a *symbiotic* mode. This is the metanational HEI we briefly outlined earlier and develop in this section.³⁶

Turning to Exhibit 4, we can see that the truly global HEI is located in the upper right-side cell: It has wide international reach and deep international richness. As described in the last column of Exhibit 6, it is an integrated and interconnected network of complementary campuses of roughly equal size located in all continents and populated with students and faculty from around the world with no dominant culture prevailing in any location. Students and faculty are allowed to move seamlessly across the network to participate in global educational and research programs that span the entire network and deliver a unique set of degrees. We call this truly global HEI a metanational educational and research institution because it goes beyond the national, international, multinational, and transnational settings described earlier.

Metanational campus configuration

The metanational HEI should have at least three main campuses of roughly equal size, one in each major regions of the world: Asia, Europe and the Americas, each with regional satellites. Additional campuses could be added to the network but it is doubtful that the network will remain integrated and interconnected if the number of campuses rises above three or four. Where should these campuses be located in their respective regions? To avoid the “assimilation traps” we discussed earlier, the campuses should be located in cosmopolitan cities, that is, in cities that would not assimilate the campus into a strong local culture and pressure it to respond to a domestic educational agenda. For example, Brussels or London would qualify as a location for the Europe Campus, Singapore or Hong Kong for the Asia Campus and Miami for the Americas Campus.³⁷ Brussels is a cosmopolitan city that is the administrative and political seat of Europe,

³⁶ An earlier version of the metanational model was first presented at a conference on “The Future of The Corporation” organized by The SEI Center for Advanced Studies in Management at the Wharton School of the University of Pennsylvania in November 16-17, 2006.

³⁷ Note that the campuses are called “Asia”, “Europe” and “Americas” campuses, not “Asian”, “European” and “American” campuses. The distinction is not trivial: the campuses of a metanational HEI are not populated with local students (i.e., Americans in the Americas

just a few hours away from the largest European capitals. London is the financial capital of Europe with two world-class universities, Cambridge and Oxford, located just a few miles away from the city. Singapore and Hong Kong are economically thriving international hubs with great universities and pose no risk of assimilating the Asia Campus into the local culture or pressuring it to educate locals. Miami is ideally located to cover both the United States and Latin America – its strong Hispanic and cosmopolitan culture would shield the Americas Campus from becoming US-centric.

These main campuses could have satellites to reach out to neighboring regions. For example, the Europe Campus could have satellites in Africa and in the Middle East, and the Asia Campus could feature satellites in India, China, Japan and Australia. Satellites would be tightly linked to their respective main campus and act as a platform to gather information and data, address specific local issues, host visiting faculty and students on locally-focused research assignments, and offer short, non-degree courses.

The campuses should (1) be credible to each other, that is, no campus should be perceived as inferior in quality and reputation to the other campuses; (2) have roughly the same size and resources to avoid the intellectual and economic dominance of one campus over the others³⁸; and (3) complement each other in their expertise.

Consider the case of a business school: Complementary expertise does not only mean that the faculty is knowledgeable about how business is conducted in the region in which the campus is located and is able to infuse that knowledge into its research and teaching; it also means that the campus specializes in a particular area that has global relevance, for example, the Europe Campus could specialize in issues related to global sustainability³⁹, the Asia Campus in issues related to global competition and the Americas Campus in issues related to global governance.

Campus, Europeans in the Europe Campus, etc.) but students from around the world. The campus name just indicates its geographical location.

³⁸ John Sexton (2010b), the President of NYU, outlining his vision for his university with its three campuses (New York, Abu Dhabi and Shanghai), said “Of course, New York will remain home to most of the university’s faculty, students and staff (80% of the university’s citizens would be located there at any given moment, with perhaps 10% located at each of the other two campuses), and New York will house a greater variety and depth of program in most areas than will the two other campuses.” With this type of multi-campus configuration, it is doubtful that NYU would not be able to transform itself into a metanational HEI.

³⁹ For a discussion on why HEIs are the ideal vehicle to develop a program on global sustainability see Tarah Wright (2009).

Research into each one of these campus-specific global issues will be conducted with the cooperation of faculty across the network and draw on the knowledge available in the other campuses. Complementary expertise and symbiotic relationships are thus a key element in making the network more than just the sum of its components: Although all campuses share the same mission, organizational culture and objectives, they are sufficiently different from each others to make the system as a whole much richer than the sum of its parts.

Metanational governance and organizational structure

Exhibit 7 sketches out the organizational structure of the metanational HEI. The institution is led by a “president” who reports to an international board of overseers. The president is supported by senior executives responsible for external relations and administrative, financial and legal affairs. Each campus is headed by a dean who also has a *functional responsibility for the entire institution*. For example, the head of the Europe Campus could also be the dean of faculty for the entire network supported by associate deans of faculty in each of the other two campuses. As illustrated in Exhibit 7, these associate deans have dual reports: to the institution-wide dean of faculty and to the head of the campus in which they are located. Having associate deans reporting to both a campus head and a institution-wide dean, and giving campus heads a functional responsibility that spans the entire network create an intertwined managerial structure that keeps the campuses integrated and mitigates the risk of a campus “seceding”, that is, leaving the network to become independent, in fact or in behavior.

The faculty is permanently posted in each site and students can move freely between campuses to attend “seamless programs” that require spending time in each location to learn from the local environment and compare the experience in a structured way. Likewise, faculty not only conducts research based on local data and practices but goes a step further by “melding together” the local learning acquired in each location to create *new* insights and knowledge. For this process to be successful, the network’s senior management must foster a climate and culture of cooperation among the sites by introducing strong incentives that stimulate formal and informal communication among the campuses. As each campus establishes partnerships with outsiders to form sub-networks, these will also require careful management to avoid overlaps and replication that may weaken the network (De Meyer, Harker, Hawawini, 2004).

Knowledge creation in a multi-polar world

As knowledge increasingly originates in multiple locations around the world, attracting the best talent in a single location will no longer be the most efficient model of knowledge creation. The best way to capture the “knowledge nuggets” that are created around the world is to be present around the world. As pointed out earlier, melding these “knowledge nuggets” will be a major source of breakthrough ideas (Doz, Santos, Williamson, 2004). Geographically dispersed researchers are more likely to produce breakthrough ideas and products than co-located researchers because co-location tends to produce similar research agendas and similar approaches to problem-solving. In contrast, working in a completely different physical and cultural environment may reduce this “conformity bias”. While the main advantage of co-location is its lower costs of interaction and exchange among researchers, technology is rapidly reducing these costs.⁴⁰ Since breakthrough ideas are often generated by tackling a problem from a completely different angle, melding together locally created “knowledge nuggets” should be a rich source of new ideas.

Over the last 50 years the world has experienced a “brain drain” where scientists and scholars have moved from areas of the world with poor educational infrastructure and underfunded universities to knowledge-creating centers, particularly in the United States. Conditions, however, are now in place not only to reverse this movement but to reduce the flow of talent from the developing world towards the United States and Europe. This shift is impelled by the rapid improvement of economic prospects and local infrastructures around the world. As wealth becomes more geographically dispersed, we can expect a rise in the number of local firms with global ambitions that are willing to support locally-based, high-quality education and research. As a consequence, opportunities to carry out universally-relevant research that is locally based will grow (Saxenian, 2006; Wadhwa, 2009). As domestic wealth rise, local identities and cultures are likely to flourish, making it more attractive for local talent to stay at home with the opportunity to remain connected to centers of excellence around the world.

⁴⁰ Kim, Morse & Zingales (2009) who have studied “the location-specific component of research productivity for economics and finance faculty over the last three decades” report “that there was a positive effect of being affiliated with a top 25 university in the 1970s; this effect weakened in the 1980s and disappeared in the 1990s”. This decline “is due to the reduced importance of physical access to productive research colleagues, which in turn seems due to innovations in communication technology”.

The end of the comprehensive research university as we know it?

Because the *raison d'être* of the metanational HEI is the generation of knowledge in multiple locations around the world, and the blending of that dispersed, location-specific knowledge to create new insights and higher-value knowledge, this model of HEI is most suitable for research-based institutions. In contrast, the multicampus and multinational models would be most appropriate for teaching institutions and, as pointed out earlier, for HEIs that either wish to export their home-grown knowledge or expose their students to different cultures around the world.

To benefit fully from the metanational form, the HEI will have to specialize in a particular research field such as the life sciences and medicine, the physical sciences and engineering, and management science and business because multiple but non-overlapping fields of study will only increase the complexity of the metanational HEI without enhancing its knowledge-creation capability in a particular field of study. In other words, the metanational HEI will be more focused in its research domain but more geographically spread-out than the prevailing model of the multidisciplinary, single-campus, national research university. This would create a major challenge to national research universities that would have to reconfigure themselves to survive: They will have to narrow down their fields of study and seek out partnerships with similar institutions around the world while relegating most of their undergraduate teaching to institutions that would specialize in that function.

Implementation challenges

There is currently no HEI that is a truly metanational higher education institution. There are three possible paths to becoming one: (1) the *transformation* of an existing HEI into a metanational one; (2) the *merger* of HEIs with the objective of becoming a metanational HEI; and (3) the *creation* of a metanational HEI from scratch.

As pointed earlier, it is unlikely that a national HEI with a strong local anchor could transform itself into a metanational HEI. Likewise for a multicampus HEI whose objective is to project itself abroad or a multinational HEI with its federation of nationally-grounded campuses. The obstacles are not the shortage of visionary leadership, the scarcity of resources or the lack of

execution skills but the challenge of overcoming the constraints imposed by the institution's historical mission, national origin, cultural biases, organizational inertia, and structural barriers. The transformation into a metanational HEI would be a lot easier if the institution was *born* international. For this reason, we suggest that transnational and cosmopolitan HEIs would most likely be the best candidates for evolving into the metanational form.

Creating a metanational HEI by merging national or international HEIs would also be challenging because of the difficulties encountered in integrating HEIs with different cultural and academic roots. Again, cosmopolitan institutions would most likely be the best candidates for a merger to create a metanational HEI but the risk is that the merged institutions would end up being a federation of cosmopolitan campuses around the world with little integration, complementarity and symbiotic interaction. Given the fact that international mergers between business firms seldom deliver on their objective, it is unlikely that HEIs, which are generally more traditional and conservative institutions than business entities, would succeed where firms have failed.

We suggest that the truly metanational higher education institution may have to be built from the ground up.

9. CONCLUDING REMARKS

In this paper we presented a critical review of the initiatives undertaken by HEIs to internationalize their activities. We developed a framework that identifies alternative models of internationalization. Based on this framework, we sketched out a model of the truly global institution we call the metanational HEI. We argued that attempting to transform an existing higher education institution into a truly global one is unlikely to succeed because of historical and organizational barriers rather than insufficient resources or a dearth of leadership. The approach most likely to succeed is either to transform an institution that was born international into a global one or, better yet, to create a global institution from scratch.

Higher education institutions should refrain from claiming that their aim is to become global universities: they should instead focus on the successful implementation of an import-export model of internationalization that calls for the internationalization of the curriculum, the creation of student-exchange programs and the participation in international JVs and partnerships. Any attempt to transform themselves into truly global institutions, as defined in this paper, is unlikely

to succeed and may just divert them from their fundamental mission to educate their home-based students and help them become effective global citizens.

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Exhibit 1
Extent of International Reach and Corresponding Internationalization Initiatives

Extent of International Reach	Corresponding International Initiatives		
	Curriculum and programs	Student body	Faculty and research
Importers	<ol style="list-style-type: none"> 1. Offer special courses on the international dimension of the subject taught (when relevant) 2. Infuse an international dimension in all the courses (when relevant) 	<ol style="list-style-type: none"> 1. Enroll foreign students in the institution's programs 2. Attract international students enrolled in study-abroad programs offered by foreign institutions 	<ol style="list-style-type: none"> 1. Invite visiting foreign faculty 2. Host international seminars and conferences 3. Recruit foreign faculty 4. Recruit local faculty trained abroad
Exporters	<ol style="list-style-type: none"> 1. Help foreign institutions design and deliver a program to its students 2. Offer online courses and programs to students from around the world (virtual exporters) 	<ol style="list-style-type: none"> 1. Offer study-abroad, work-abroad, and exchange programs 2. Involve students in international consultancy and development assistance projects 	<ol style="list-style-type: none"> 1. Encourage sabbaticals abroad 2. Train foreign faculty 3. Involve faculty in international consultancy and development assistance projects 4. Set-up research centers abroad
Academic Joint Ventures	<ol style="list-style-type: none"> 1. Offer <i>dual</i>-degree programs with a foreign institution 2. Offer <i>joint</i>-degree programs with a foreign institution 	<ol style="list-style-type: none"> 1. Each institution recruits students separately 2. Students are recruited through a common admission process 	<ol style="list-style-type: none"> 1. Set-up joint research projects 2. Join international research agreements 3. Set-up joint research centers
Academic Partnerships, Alliances and Consortia	<ol style="list-style-type: none"> 1. Offer partner's students access to your courses and programs 2. Offer partner's students your degrees 	<ol style="list-style-type: none"> 1. Students admitted by one institution are automatically qualify to attend courses in the partner's institution with credit mutually recognized 	<ol style="list-style-type: none"> 1. Faculty can teach their load in either one of the institutions 2. Faculty have access to common research budget 3. Set up partnership research centers
Campuses Abroad	<ol style="list-style-type: none"> 1. Offer the <i>same</i> curricula, programs and degrees on the foreign and home campuses 2. Offer <i>different</i> curricula, programs and degrees on the foreign and home campuses 3. Students allowed to move freely between campuses to benefit from integrated curricula and programs 	<ol style="list-style-type: none"> 1. The admission process is either the same as in the home campus or different from the home campus 2. Students are recruited locally or regionally with little mobility 3. Students are recruited internationally and can move between campuses 	<ol style="list-style-type: none"> 1. Fly-in/fly-out of faculty (from the home campus or visiting) 2. Use permanent or temporary faculty recruited to work exclusively on the foreign campus 3. Use permanent or temporary faculty that originates from the home campus

Exhibit 2 Internationalization Reach vs. International Richness

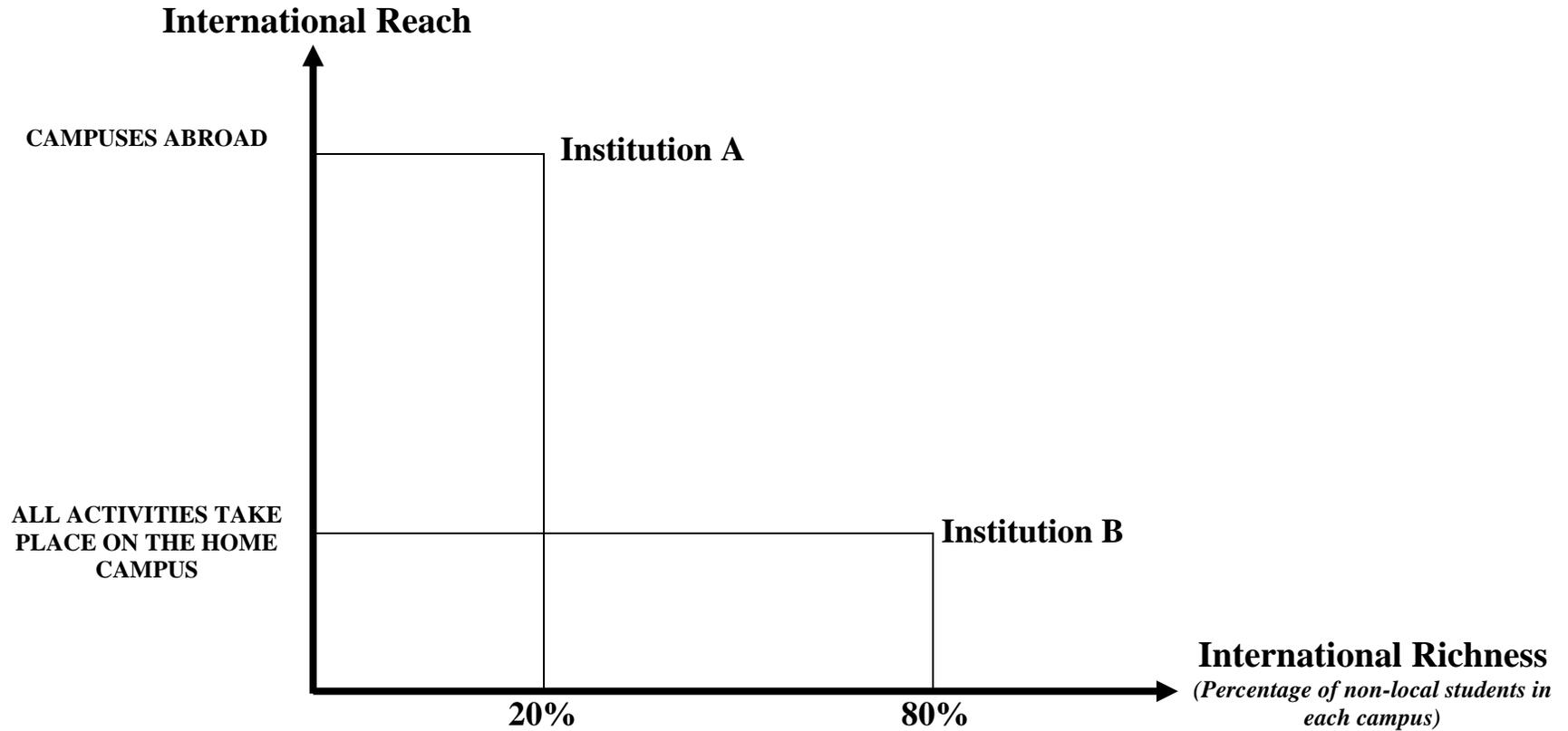


Exhibit 3

The internationalization of Students, Faculty, and Board of all U.S., U.K., and European Business Schools listed in the Financial Times Global MBA Ranking (2010)

	Percent International Students				Percent International Faculty				Percent International Board			
	U.S.	U.K.	EUR	ASIA	U.S.	U.K.	EUR	ASIA	U.S.	U.K.	EUR	ASIA
Highest %	90%	98%	99%	93%	63%	86%	98%	87%	80%	60%	100%	94%
Lowest %	5%	74%	35%	3%	11%	32%	21%	16%	0%	13%	23%	50%
Average %	32%	89%	79%	55%	27%	48%	48%	57%	13%	39%	72%	65%
Distribution:												
90%-100%	1/56	10/17	4/10	1/5	--	--	2/10	--	--	--	2/10	1/5
80%-89%	--	6/17	3/10	--	--	1/17	--	1/5	1/56	--	1/10	--
70%-79%	--	1/17	--	1/5	--	1/17	--	--	--	--	4/70	1/5
60%-69%	--	--	2/10	1/5	1/56	1/17	--	2/5	--	1/17	2/60	1/5
50%-59%	3/56	--	--	--	--	4/17	1/10	1/5	2/56	4/17	--	--
40%-49%	8/56	--	--	--	6/56	3/17	3/10	--	--	3/17	--	--
30%-39%	24/56	--	1/10	1/5	18/56	7/17	1/10	--	4/56	5/17	--	1/5
20%-29%	11/56	--	--	--	16/56	--	3/10	--	5/56	1/17	1/10	--
10%-19%	8/56	--	--	--	15/56	--	--	1/5	8/56	3/17	--	--
0%-9%	1/56	--	--	1/5	--	--	--	--	36/56	--	--	1/5

Exhibit 4
The Internationalization Matrix
(HEI = Higher Education Institution)

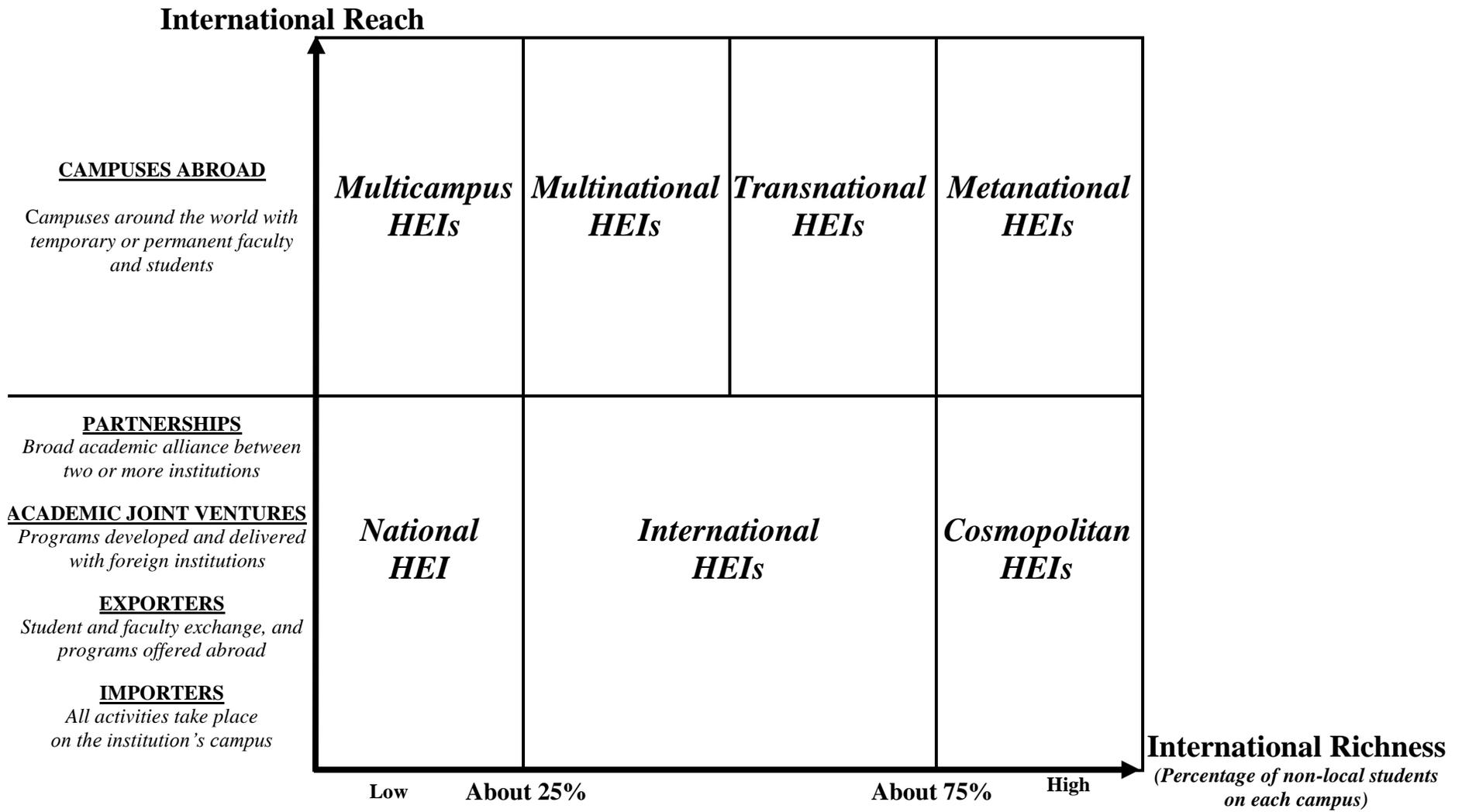


Exhibit 5
Alternative Types of Single-Campus Higher Education Institutions

Type of institution		National	International	Cosmopolitan
Mission		Educate local students; international education is not a priority	Educate local students and expose them to the international dimension of the subjects taught	Educate students from around the world and turn them into truly global citizens
Curriculum		Some specialized international courses and programs	An international dimension is incorporated in many courses and programs	A global perspective infuses the entire curriculum and programs
Students	Recruitment	Small percentage of foreign students	High percentage of foreign students, but the preponderance of students are locals	Students from around the world with no dominant culture
	Mobility	Limited number of study-abroad and student-exchange programs	Extensive study-abroad and student-exchange programs	No study-abroad program; limited student-exchange programs.
	Employment	Recruited by local employers	Recruited by local employers, some to work in foreign subsidiaries of local firms	Recruited mostly by non-local employers for worldwide positions
Faculty	Recruitment	Most faculty members are recruited locally	Some international faculty members	Mostly international faculty members
	Highest degree	1. Granted by a local HEI 2. In many countries, the degree is often granted by the same HEI in which the faculty member works	1. Mostly granted by local HEIs 2. Some faculty members are graduates of internationally-recognized foreign HEIs	Granted by internationally-recognized HEIs located in many different countries
	Mobility	Very limited; some sabbaticals abroad	1. Sabbaticals abroad 2. Visiting positions in foreign HEIs with partial or full teaching schedules	1. Sabbaticals abroad 2. Visiting positions in foreign HEIs with partial or full teaching schedules
	Research	1. Research topics may or may not have an international dimension 2. Some international research collaboration	1. Research topics may or may not have a more pronounced international dimension 2. More pronounced international research collaboration	1. Research topics usually have an international dimension 2. Some international research collaboration
	Evaluation	The quality of teaching, research, and service to the institution is usually evaluated irrespective of whether these dimensions have an international content	The quality of teaching, research, and service to the institution is usually evaluated irrespective of whether these dimensions have an international content	Because the international dimension is pervasive in all aspects of teaching, research and service, it is indirectly taken into account

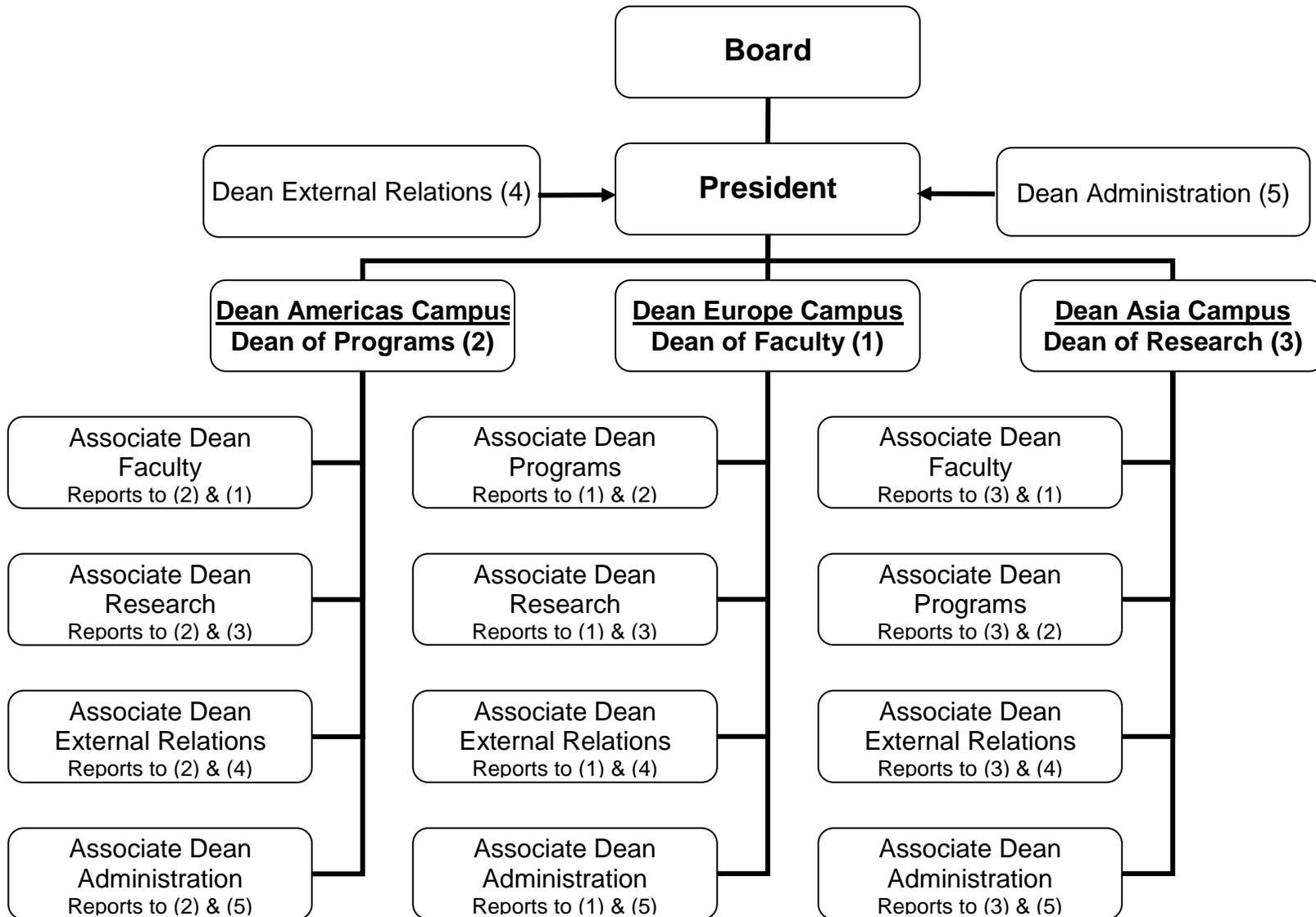
Exhibit 6

Alternative Types of Higher Education Institutions with Campuses Abroad

Type of institution		Multicampus	Multinational	Transnational	Metanational
Key motive/mission		Teach the world	Experience the world		Learn from the world
Underlying view of the world	Economic and technological development	The <i>speed</i> and <i>level</i> of economic and technological development differs widely across countries	Economic and technological development differs across countries because of societal and cultural differences		There are different <i>models</i> of economic and technological development across countries
	Knowledge location and dissemination	Knowledge, which originates mostly in the home institution, is universal and should be taught around the world	Different organizations and processes exist abroad. Faculty and students should be exposed to them		Knowledge is dispersed around the world. It should be “harvested” and blended together to create new, higher-value knowledge
Campuses around the world	Configuration	Foreign branches or satellites controlled by the home institution	A federation of semi-autonomous local campuses	One institution with fully integrated campuses	An integrated and interconnected network of complementary campuses
	Governance	Foreign branches/satellites managed by the home institution	Campuses are local entities managed locally with central oversight	One institution with distributed managerial responsibilities across the institution	One institution with distributed managerial responsibilities across the network
Curriculum	Program	Same in all campuses	Different in each campus	Same/similar in all campuses	Seamless across the network
	Language	Same in all campuses (usually English)	Usually the language of the local campuses	Same in all campuses (English)	Same across the network (English)
	Degree	Same or different across campuses	Multiple degrees	Same degree	Same degree
Students	Profile	Mostly local	Majority are local/regional	International	Global
	Admission	To the branch campus based on same or similar standards	To a local campus with the option to study on the other campuses	To the institution based on common admission process and standards	To the network based on common admission process and standards
	Mobility	Structured visits to the home institution if required by the program	Movement between the campuses dictated by the program structure	Movement between the campuses allowed as long as space is available	Seamless movement within the network
Faculty	Recruitment	Transferred from the home campus or recruited by the institution to serve on the branch campus	Recruited by the local campus to serve on that campus	Recruited internationally based on the same criteria	Recruited internationally based on the same criteria
	Affiliation	With the institution but contract could be with the branch campus	With the local campus	With the institution but with local contracts	With the institution (irrespective of posting in the network)
	Mobility	Limited	Limited	Possible planned changes in campus affiliation	Seamless within the network
	Evaluation	According to standards set by the institution (that could be different for faculty serving on a branch campus)	Could vary according to standards established by the local campuses	Identical for all faculty members irrespective of their campus affiliation	Identical for all faculty members irrespective of their location in the network

Exhibit 7

The Metanational Higher Education Institution



Europe Campus
Boulevard de Constance
77305 Fontainebleau Cedex, France
Tel: +33 (0)1 60 72 40 00
Fax: +33 (0)1 60 74 55 00/01

Asia Campus
1 Ayer Rajah Avenue, Singapore 138676
Tel: +65 67 99 53 88
Fax: +65 67 99 53 99

Abu Dhabi Campus
Muroor Road - Street No 4
P.O. Box 48049
Abu Dhabi, United Arab Emirates
Tel: +971 2 651 5200
Fax: +971 2 443 9461

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