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INTERNATIONAL EDUCATION EXPERTS

# Transnational Education (TNE)

## **Common models and opportunities for Finland**

# Contents

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- Covid-19
- Motivations
- The 'TNE equation'
- Case studies
- Balancing academic quality with commercial viability
- Leveraging the Finnish advantage
- Next steps and recommendations





TNE in Asia

**Context**



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# Context

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## What is TNE?

Definitions can be confusing and vary greatly throughout the world, making comparisons difficult.

Our preferred definition:

***All types of higher education study programmes, or sets of courses of study, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based.***

*OECD/UNESCO, 2014*

# Context

- **>50%** of international students with UK HEIs studied part or all via TNE (2016, UUKi and British Council)
- **84%** of UK Universities operate TNE programmes (UUKi, 2019)
- Asia accounts for over **50%** of all TNE students for the UK (UUKi, 2019)
- UK TNE student numbers grew **13%** 2014-2015 (BC, 2016)
- **666,000** students were taking part in UK TNE programmes in 2015 (BC, 2016)
- Mature markets (Hong Kong, Malaysia) stagnating, **emerging** markets (Myanmar, Sri Lanka) seeing >50% YoY growth (UUKi, 2019)
- **67%** of TNE students are at the UG level (AusGov, 2016)
- High-profile models such as full branch campuses may be the more visible models, but account for only a **small portion** of global TNE operations
- There is a growing trend of **empowerment** of the local delivery partner
- Modes of delivery have become increasingly **flexible**, especially in the current Covid-19 climate
- There are many **aspects** to the TNE model: academic, content, commercial and partnership, and any given partnership has its own DNA

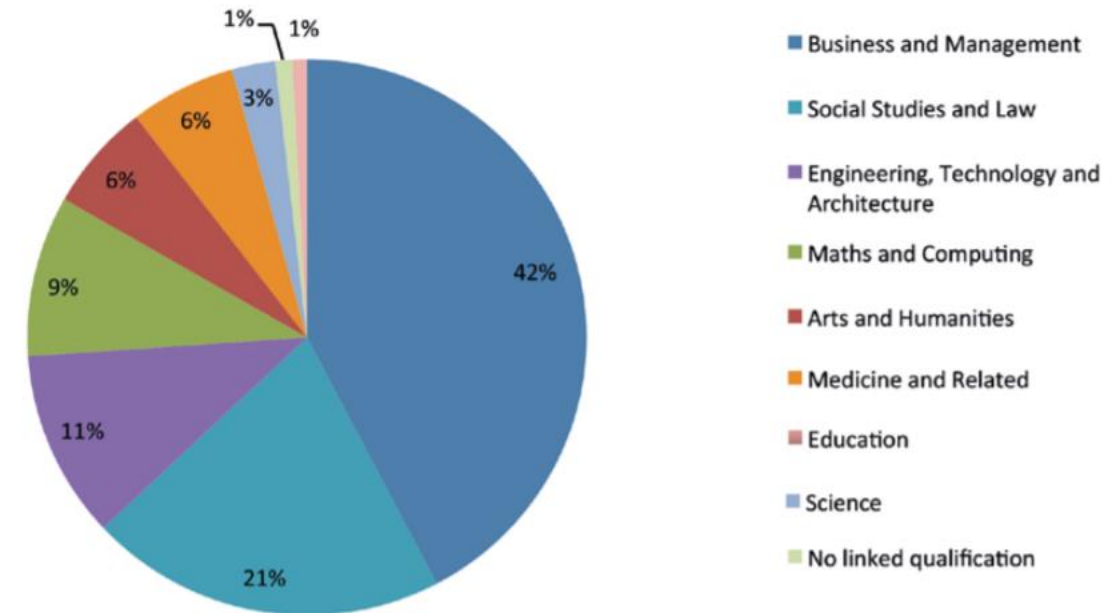


# 3 of the top 9 TNE countries are in SE Asia, 6 of 9 in Asia

## Top TNE host countries (JISC 2018)

1. China
2. United Arab Emirates
3. Malaysia
4. Singapore
5. Qatar
6. South Korea
7. Hong Kong
8. Mauritius
9. Vietnam

TNE Students\* by Study Subject



Source: WECD, 2014/15 TNE Survey.

# English-speaking countries lead the way in TNE export

## Top TNE exporting countries (JISC 2018)

1. UK
2. USA
3. Australia
4. **France**
5. **Germany**
6. **Netherlands**
7. **Russia**
8. **China**
9. Canada
10. India

Growing interest in non-traditional exporters:

- often to meet **regional** needs
- focus **subject** strength





TNE in Asia

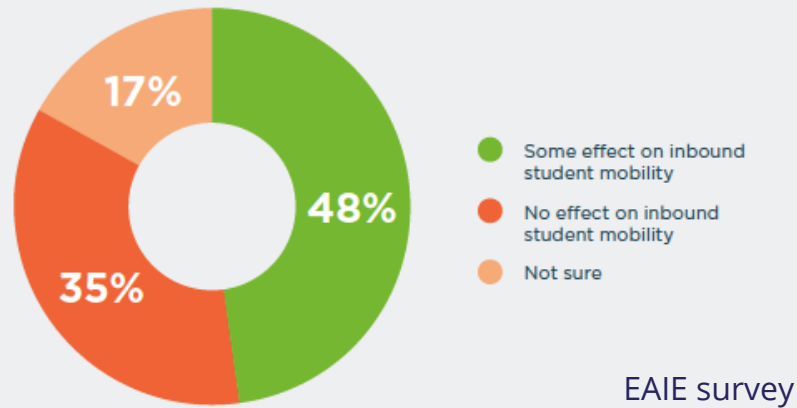
**Covid-19**



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# Covid-19



## Manchester University braced for losses of more than £270m

Vice-chancellor warns of possible pay cuts and job losses in wake of pandemic

- [Coronavirus - latest updates](#)
- [See all our coronavirus coverage](#)



**The Sydney Morning Herald**

## Loss of international students set to blow \$30b-\$60b hole in economy



## Coronavirus: global student flows to suffer 'massive hit' for years

Western universities will have to 'hunt' for scarce overseas students, warns leading internationalisation scholar

March 26, 2020



CATEGORIES ▾ REGIONS ▾

Market intelligence for international student recruitment from ICEF

## Measuring COVID-19's impact on higher education

15 Apr 2020

Short on time? Here are the highlights:

- *The financial impact of the pandemic is being felt now by higher education institutions around the world*
- *As the pandemic continues this quarter, the effects are mounting in terms of both immediate budget impacts and forecasts for the coming year*
- *Most institutions are projecting declines in both domestic and international student numbers, with combined tuition shortfalls running into the tens of billions of dollars*

# Covid-19

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## Harness TNE to prepare for post-coronavirus landscape

Posted on Apr 23, 2020 by Vigggo Stacey  
Posted in Covid-19, News, under Global.  
Tagged with Coronavirus, TNE, UK, USA, UUKL.  
Bookmark the permalink.

Higher education institutions are being urged to hone their transnational education provision to mitigate the potential changes in a post-coronavirus educational landscape.



*“Transnational education will bloom as coronavirus keeps international students away”*  
**Universities UK**

*“The coronavirus will accelerate trends that would have taken decades to unfold, such as blended learning, intra-regional mobility and TNE growth”* **Janet Ilieva, Education Insights**

*“This post-mobility world goes beyond physical space, surpasses state borders and considers a broader global society and the responsibilities that we have. Our task at hand is to make a stronger case for TNE.”* **Jenny Lee, Professor at the Center for the Study of Higher Education at the University of Arizona**

*“The global online degree market will double in value.”* **HolonIQ**

## How COVID-19 is driving a long-overdue revolution in education



While traditional institutions once viewed online education as a threat, it has come to their rescue

Image: REUTERS/Mario Anzuoni

12 May 2020

• The pandemic has forced universities to bring their courses online.

# Covid-19

## Impact on TNE

- Expectation of significant impact in international intakes (mobility-dependent)
- Significant revenue hole for traditional destination universities
- Expedited ability in distance learning from all stakeholders
- Reluctance of students/parents to take risks, many 'stay close to home'
- Key new element to destination choice – safety

### Negative impact

Student mobility destinations  
Destinations with high % of international students  
Countries perceived to have handled Covid-19 badly  
(eg UK)

### Positive impact

Local institutions  
Distance and blended learning providers  
**Transnational education offerings**  
Countries perceived to have handled Covid-19 well (eg  
NZ)



TNE in Asia

# Motivations



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# Motivation

Motivation	Considerations
Reputation	Success by association from choosing the right partner. Also, significant part of ranking success (critical in the international space).
Profile/Awareness	Promotion focused on a locally-delivered programme in a specific market can far outweigh remote promotion. Many institutions fear negative impact on recruitment to main campus due to local offerings, however the reverse is usually true due to increased awareness.
Student throughput – general	For X+Y or preparation programmes, the main motivation can be delivering students to the home campus, which means the overseas element can be offered at break-even point.
Student throughput – specific	Targeted to specific majors, levels or demographics. Important however to resist the danger of using TNE to plug numbers in underperforming programmes – often the same reasons those programmes underperform in the home campus also apply overseas.
Revenue	Should not be ignored as a valid motivation. Somewhat linked with student throughput but can be achieved without throughput to main campus.



TNE in Asia

# The TNE 'equation'



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# The TNE 'equation'

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	Branch campus Joint-brand campus Programme(s) within existing institute Articulation only	Alone Consortium	University College Commercial partner (:onward) Self-managed	Joint venture Revenue share Per capita fee Split by delivery Fully owned	UG – single award UG – joint award PG Taught Preparation	Flying faculty Bespoke SOP 3 <sup>rd</sup> party management with supervision JV-managed Fully owned Articulation only	Overseas institution Local institution Jointly-created 3 <sup>rd</sup> party Consortium Fully owned	Comprehensive Specific	F2F one location F2F split F2F multiple Blended Learning Distance Learning with touchpoint centres Distance Learning
Considerations	Set up costs Local regulatory approval	Brand power/risk as a standalone Brand can be diminished in consortium but can be powerful tool for generating awareness for smaller countries and specific specialisms	Alignment with motivation Preparation or partnership? Relative strength of brands	Who collects the fees?	Regulatory frameworks Local approvals needed Link to motivations Can be multiple	Strong link with financial viability Strong link to numbers and locations Scalability Brand risk	Brand risk Consistency Ease of operating	Linked to scale and attractiveness to market	Costs (student and institution) Scalability Regulatory acceptance Customer acceptance

F2F = Face-to-face



# Pros and cons of key aspects

		Pros	Cons
Set Up	<b>Full branch campus</b>	<ul style="list-style-type: none"> <li>High profile, prestigious</li> </ul>	<ul style="list-style-type: none"> <li>Not agile</li> <li>Location limited</li> <li>High cost</li> </ul>
	<b>Joint-branded campus</b>	<ul style="list-style-type: none"> <li>Profile raising for both organisations if matched</li> <li>Complementary offering</li> </ul>	<ul style="list-style-type: none"> <li>Aligning prestige of brands</li> <li>Risk element by association</li> </ul>
	<b>Programmes within existing institute</b>	<ul style="list-style-type: none"> <li>Low cost</li> <li>No legal entity to create/manage</li> </ul>	<ul style="list-style-type: none"> <li>Often very low numbers</li> <li>Exclusivity and competition within institution</li> </ul>
	<b>Articulation only</b>	<ul style="list-style-type: none"> <li>Cost-effective – local market dynamics at play, less commercial pressure on overseas leg</li> </ul>	<ul style="list-style-type: none"> <li>Associating name and brand with limited control</li> <li>Difficult to forecast or 'lock in' students</li> </ul>
Acting as	<b>Alone</b>	<ul style="list-style-type: none"> <li>High visibility of brand</li> <li>Control</li> </ul>	<ul style="list-style-type: none"> <li>Challenging for low-profile institutions to attract partners and student numbers</li> </ul>
	<b>Consortium</b>	<ul style="list-style-type: none"> <li>High profile and credible</li> <li>Ensures broad offering and strengths</li> <li>Government support and backing</li> </ul>	<ul style="list-style-type: none"> <li>Diluted impact for individual brands</li> <li>Balancing multiple organisation objectives</li> <li>Disproportionate recruitment/throughput</li> </ul>
Partnership	<b>University</b>	<ul style="list-style-type: none"> <li>Credibility</li> <li>Access to facilities and faculty</li> <li>Local access eg MoE, workplace</li> </ul>	<ul style="list-style-type: none"> <li>Risk of lacking commercial drive to ensure financial viability in terms of both recruitment and operating model</li> </ul>
	<b>College</b>	<ul style="list-style-type: none"> <li>Often suited to pathway/preparation programmes</li> </ul>	<ul style="list-style-type: none"> <li>Not seen as 'peer' of overseas university</li> </ul>
	<b>A commercial partner</b>	<ul style="list-style-type: none"> <li>Can provide the commercial drive needed</li> <li>Hungry for success</li> <li>Often brings deep sales and marketing expertise</li> <li><b>Willingness to take on all commercial risk</b></li> </ul>	<ul style="list-style-type: none"> <li>Perception of inappropriate partnership with profit making organisation</li> <li>Significant dilution of revenue</li> </ul>
	<b>No partner</b>	<ul style="list-style-type: none"> <li>Complete control</li> <li>No sharing of revenues</li> </ul>	<ul style="list-style-type: none"> <li>High capital expenditure</li> <li>Difficult to be fully atuned to local needs</li> </ul>



# Pros and cons of key aspects

		Pros	Cons
Financial	Fully owned	<ul style="list-style-type: none"> <li>No dilution of profits</li> </ul>	<ul style="list-style-type: none"> <li>High risk exposure</li> <li>High initial investment</li> </ul>
	Joint venture	<ul style="list-style-type: none"> <li>Complementary organisations can play to strengths</li> <li>Aligned financial motivations</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring the right partner and alignment of motivations</li> <li>Severance at end of period</li> </ul>
	Revenue share	<ul style="list-style-type: none"> <li>Equal 'skin in game' after costs</li> <li>Relatively simple to administer</li> </ul>	<ul style="list-style-type: none"> <li>Apportioning and managing operational costs</li> </ul>
	Per capita fee	<ul style="list-style-type: none"> <li>Transparent</li> <li>Reflects value of services provided</li> </ul>	<ul style="list-style-type: none"> <li>Imbalanced share of success</li> </ul>
	Split by delivery	<ul style="list-style-type: none"> <li>Neat</li> <li>Local price can reflect local costs</li> </ul>	<ul style="list-style-type: none"> <li>Total cost may not reflect value</li> <li>Differentiated pricing may increase student attrition mid programme</li> </ul>
Quality Control	Flying faculty	<ul style="list-style-type: none"> <li>High level of quality control</li> <li>Closest to authentic 'international' experience</li> </ul>	<ul style="list-style-type: none"> <li><b>Rarely financially viable unless at high volumes</b></li> <li>Significant travel commitment and environmental impact</li> <li>Not seen as significant differentiator if quality local staff are available; value can be added through video lectures etc</li> </ul>
	Bespoke	<ul style="list-style-type: none"> <li>High level of quality control</li> <li>Can tailor to meet particular partnership needs</li> </ul>	<ul style="list-style-type: none"> <li><b>Rarely financially viable unless at high volumes</b></li> <li>Not scalable</li> <li>Likely significant travel commitment and environmental impact</li> </ul>
	SOP	<ul style="list-style-type: none"> <li>Scalable</li> <li>Efficient</li> <li>Encourages further TNE rollouts</li> <li>Possible 'Brand Finland' differentiator</li> </ul>	<ul style="list-style-type: none"> <li>Relatively costly and time-consuming to set up</li> <li>Strong planning required in early phases to ensure sustainability and scalability</li> </ul>
	3 <sup>rd</sup> party-managed	<ul style="list-style-type: none"> <li>Access to specific expertise</li> <li>Financial model can reduce investment need</li> <li>Can be local and close to operations</li> <li>Can have strong reporting mechanisms written into contract to minimise risk</li> </ul>	<ul style="list-style-type: none"> <li>Some dilution of revenue</li> <li>Need to manage expectations of input into partner processes</li> <li>Brand risk of 'delegation' of key element</li> </ul>
	Articulation only	<ul style="list-style-type: none"> <li>One off and paper-based programme recognition and outcome mapping exercise</li> </ul>	<ul style="list-style-type: none"> <li>Loose link and easy to replicate</li> </ul>



# Pros and cons of key aspects

		Pros	Cons
Content	<b>Overseas institution</b>	<ul style="list-style-type: none"> <li>Entirely suited to destination context</li> <li>Maps well to onward study</li> </ul>	<ul style="list-style-type: none"> <li>Challenge of compatibility and consistent learning outcomes</li> </ul>
	<b>Local institution</b>	<ul style="list-style-type: none"> <li>Entirely tailored to local context</li> <li>Maps well from pre-study</li> </ul>	<ul style="list-style-type: none"> <li>Challenge of compatibility and consistent learning outcomes</li> </ul>
	<b>Jointly-created</b>	<ul style="list-style-type: none"> <li>Collaborative</li> <li>Tailored to combination of contexts</li> </ul>	<ul style="list-style-type: none"> <li>Complex and time-consuming to create</li> </ul>
	<b>Third party</b>	<ul style="list-style-type: none"> <li>Efficient</li> <li>Written ready for partner delivery</li> </ul>	<ul style="list-style-type: none"> <li>Cost implication</li> <li>Alignment with academic elements of both parties</li> </ul>
Subjects	<b>Comprehensive</b>	<ul style="list-style-type: none"> <li>Potential to achieve scale</li> <li>Accurate recreation of overseas institution</li> </ul>	<ul style="list-style-type: none"> <li>Can be difficult to achieve scale</li> <li>Significant cost and risk exposure</li> </ul>
	<b>Specific</b>	<ul style="list-style-type: none"> <li>Limited investment</li> <li>Reduced risk</li> <li>Fewer stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Limited economy of scale</li> <li>Market demand may shift away from programme</li> </ul>
Delivery mode	<b>Face-to-Face one/multiple</b>	<ul style="list-style-type: none"> <li>Traditional classroom environment</li> <li>Full learner experience</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to scale</li> <li>Limited geographies</li> </ul>
	<b>Face-to-Face split</b>	<ul style="list-style-type: none"> <li>Cost-effective for students</li> <li>Experience of two learning and living contexts</li> </ul>	<ul style="list-style-type: none"> <li>Overseas element cost implication</li> <li>Making the learning experience and outcomes seamless</li> </ul>
	<b>Distance learning</b>	<ul style="list-style-type: none"> <li>Scalable</li> <li>Flexible</li> </ul>	<ul style="list-style-type: none"> <li>Local country regulatory approval and recognition</li> <li>Student/parent acceptance varies by market</li> </ul>
	<b>Distance Learning with touchpoint centres</b>	<ul style="list-style-type: none"> <li>Scalable and flexible</li> <li><b>Offers elements of Distance Learning and Blended Learning without full academic quality management implications</b></li> </ul>	

## Key considerations

- What is your risk tolerance in terms of academic quality?
- What is your risk tolerance commercially?
- Are your and your potential partner's motivations **compatible**?



TNE in Asia

## Case Studies



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# Case study: RMIT Vietnam

*Australian university with a long-established and fully-owned campus in Ho Chi Minh City*

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	<b>Branch campus</b> Joint-brand campus Programme(s) within existing institute Articulation only	<b>Alone</b> Consortium	University College Commercial partner (:onward) <b>Self-managed</b>	Joint venture Revenue share Per capita fee Royalty Split by delivery <b>Fully-owned</b>	<b>UG - single award</b> <b>UG - joint award</b> <b>PG Taught</b> <b>Preparation</b>	Flying faculty Bespoke SOP 3 <sup>rd</sup> party management with supervision JV-managed <b>Fully-owned</b> Articulation only	Overseas institution <b>Local institution</b> Jointly-created 3 <sup>rd</sup> party Consortium	<b>Comprehensive</b> Specific	F2F one location F2F split <b>F2F multiple</b> Blended Learning Distance Learning with touchpoint centres Distance Learning



# Case study: RMIT Vietnam

<b>Partners</b>	NA Unusually, RMIT were invited by the Vietnamese government to open a fully-overseas owned university. Buildings have been purchased directly.	<b>Founded</b>	2000
<b>University motivations</b>	<b>Reputation</b> – key driver. Prestige of being the first fully overseas institution operating in Vietnam, a key potential market at the time. <b>Profile</b> – presence in key strategic market has significantly increased market recognition. <b>Revenue</b> – probably not the initial key motivator, especially given the price point in 2000, however this will now be providing a significant contribution. <b>Throughput</b> – some X+Y programmes, and opportunity to transfer campuses, but not a major factor		
<b>Notes</b>	<ul style="list-style-type: none"> <li>• The opportunity to set up a fully-owned overseas campus is rare in Asia, and is generally only by direct and targeted invitation of the government.</li> <li>• Vietnam is a strong TNE market with significant potential. Overseas study is common and there is a growing trend for domestic students to attend <i>international schools</i> for K12 education in English and learning towards overseas school qualifications (AP, A Level, IB). Price point is a key element however in Vietnam, so revenue may not be a major motivator in the short term.</li> </ul>		
<b>Success rating</b>	RMIT Vietnam has been a major success. First-mover advantage has been a significant factor and as yet there is no other significant managed campus in Vietnam on anywhere near the same scale. Increased profile in the Vietnam market has also cemented RMIT's recruitment into Australia.		

Success



Effort



# Case study: University of Nottingham, Ningbo

British university with its second campus outside the UK, a joint venture with a commercial group

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	<b>Branch campus</b> Joint-brand campus Programme(s) within existing institute Articulation only	<b>Alone</b> Consortium	University College <b>Commercial partner</b> Self-managed	<b>Joint venture</b> Revenue share Per capita fee Royalty Split by delivery Fully owned	<b>UG – single award</b> <b>UG – joint award</b> <b>PG Taught</b> <b>Preparation</b>	Flying faculty Bespoke SOP 3 <sup>rd</sup> party management with supervision <b>JV-managed</b> Fully owned Articulation only	Overseas institution <b>Local institution</b> Jointly-created 3 <sup>rd</sup> party	<b>Comprehensive</b> Specific	<b>F2F one location</b> F2F split F2F multiple Blended Learning Distance Learning with touchpoint centres Distance Learning



# Case study: University of Nottingham, Ningbo

<b>Partners</b>	<b>Wanli Education Group</b> – Zhejiang-based commercial education provider with multiple proprietary brands	<b>Founded</b>  <b>Estimated student numbers</b>	2004  6,000
<b>University motivations</b>	<p><b>Reputation</b> – likely the key driver. Nottingham has always been a forward-thinking university and was the first to open an overseas campus in Asia (Malaysia, 2000, also a JV with a local commercial partner)</p> <p><b>Profile</b> – first mover with physical campus in China as the international (inc mobility) market was taking off. Ambitious but well-selected overseas ventures has kept Nottingham at the forefront of perception for international education in the UK.</p> <p><b>Revenue</b> – probably not a key motivator but the success of the model would have provided significant revenue</p> <p><b>Throughput</b> – healthy numbers, e.g. 2+2 undergraduate. Also a very popular destination for exchange, for Nottingham UK, Malaysia and other university students.</p>		
<b>Notes</b>	<ul style="list-style-type: none"> <li>Partnering with commercial organisations, albeit carefully selected, was considered .</li> <li>Location choices were also strategic, as key markets for international education. The selection of Ningbo was somewhat opportune based on the partner however was also very strategic given the over-supply of education programmes in the more famous cities of Beijing, Shanghai and Guangzhou. Additionally, Ningbo, Zhejiang is excellently-located for the wealthy central-eastern seaboard.</li> </ul>		
<b>Success rating</b>	<p>Nottingham’s Ningbo campus was a shrewd and pioneering move and one which has brought significant positive impact in terms of local recruitment and profile, as well as the knock-on effect to the main campus in the UK.</p> <p>Electing to partner a commercial organisation was a brave decision at the time, but the decision has paid off.</p>		

Success











Effort





# Case study: Curtin University Singapore

*An Australian university with a long-established campus, fully-managed by a commercial entity*

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	<b>Branch campus</b> Joint-brand campus Programme(s) within existing institute Articulation only	<b>Alone</b> Consortium	University College <b>Commercial partner</b> (:onward) Self-managed	Joint venture Revenue share <b>Per capita fee</b> Split by delivery Fully owned	<b>UG - single award</b> <b>UG - joint award</b> <b>PG Taught Preparation</b>	Flying faculty Bespoke SOP <b>3<sup>rd</sup> party management with supervision</b> JV-managed Fully owned Articulation only	Overseas institution <b>Local institution</b> Jointly-created 3 <sup>rd</sup> party Consortium	<b>Comprehensive</b> Specific	<b>F2F one location</b> F2F split F2F multiple Blended Learning Distance Learning with Touchpoint Centres Distance Learning
									



# Case study: Curtin University Singapore

<b>Partners</b>	<b>Navitas</b> (large, Private Equity-owned, Australian pathway and managed campus provider) <a href="http://www.navitas.com">www.navitas.com</a>  Malaysian commercial entity (minority)	<b>Founded</b>  <b>Estimated student numbers</b>	2010  1,200 full time per year (peak of 2,000 c.2015)
<b>University motivations</b>	<p><b>Profile</b> – presence in key strategic market has significantly increased market recognition. Key strategic location also helped the less attractive main campus location (WA) ‘punch above its weight’ in terms of inbound recruitment</p> <p><b>Revenue</b> – has been steady and not insignificant, although not at peak. Partnering with a commercial organisation removed any significant commercial risk to the University</p> <p><b>Throughput</b> – some X+Y programmes inc 3 site MBA however this was not a main driver as it is a fully functioning managed branch campus</p>		
<b>Notes</b>	<ul style="list-style-type: none"> <li>• The University has a stated strategy of campuses around the Pacific.</li> <li>• They have clearly favoured the full managed campus option and work hard to give the same student experience in all campuses, including look and feel, and access to opportunities.</li> <li>• All of their managed campuses (Singapore, Malaysia, Mauritius, UAE) have different local partners, and despite this they have managed to achieve significant cooperation between them including sharing of sales opportunities and promotion under the <i>One Curtin</i> banner.</li> <li>• Curtin Singapore recruits roughly 50:50 local and overseas students</li> <li>• Overseas students are largely regional</li> <li>• Curtin Singapore partners with the local MoE and MoH to offer certain Nursing courses to meet local needs, an area of specialism for Curtin.</li> </ul>		
<b>Success rating</b>	<p>Soon after inception, the model became a strong success and numbers were significant. Leveraging a large group such as Navitas allows strong reach and impact in terms of overseas sales and marketing reach. As Singapore has matured and become a more expensive destination, and as competition has increased with higher-profile brands, success has waned albeit still achieving a significant number</p>		

Success



Effort



# Case study: NCUK (Northern Consortium)

Not for profit consortium, owned by a group of British universities, offering franchised pathways

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	Branch campus Joint-brand campus <b>Programme(s) within existing institute</b> Articulation only	Alone <b>Consortium</b>	<b>University College Commercial partner (:onward)</b> Self-managed	Joint venture Revenue share <b>Per capita fee</b> Royalty <b>Split by delivery</b> Fully owned	UG – single award UG – joint award PG Taught <b>Preparation</b>	Flying faculty Bespoke <b>SOP</b> 3 <sup>rd</sup> party management with supervision JV-managed Fully owned Articulation only	Overseas institution Local institution Jointly-created 3 <sup>rd</sup> party <b>Consortium</b>	Comprehensive <b>Specific</b>	F2F one location F2F split <b>F2F multiple</b> Blended Learning Distance Learning with Touchpoint Centres Distance Learning



# Case study: NCUK (Northern Consortium)

<b>Partners</b>	<p>Multiple local-delivery partners overseas – over 60 delivery centres in 25 countries. Delivery centres range from local high schools, private colleges and state universities.</p>	<b>Founded</b>  <b>Estimated student numbers</b>	<p>1987</p>  <p>5,000</p>
<b>University motivations</b>	<p><b>Revenue</b> – not a motivator for NCUK (although is for the owning-universities). Any surplus in the organisation is dispersed to charitable organisations.</p> <p><b>Throughput</b> – the main driver. The universities’ motivation in establishing NCUK was to drive students onto their home campuses, and to partner in order to meet the needs of local markets and gain scale.</p>		
<b>Notes</b>	<ul style="list-style-type: none"> <li>• NCUK is a charitable organisation whose main objective is to provide throughput of students to the 10 owning universities, which represent a cross-section of institutions in the North of England, including 3 Russell Group institutions. Additionally, associate and articulating Universities allow NCUK programme graduates onward study routes at dozens of universities in the UK, USA, Australia and New Zealand.</li> <li>• NCUK offer the X of X+Y programmes, with students benefitting from a wide range of universities for their Y programme. Key NCUK programmes including Foundation Year (year zero), International Year One, and Pre-Master’s.</li> </ul>		
<b>Success rating</b>	<p>NCUK has been a strong success in achieving the objectives of its owning universities – namely a strong throughput of well-prepared students with an increased profile for the member institutions</p> <p>Arguably NCUK has not met its full potential of scale and scope due to a risk-averse style and limited investment</p>		

**Success**











**Effort**



# Case study: Newcastle University, Johor Bahru, Malaysia

*British university with a small, fully-owned, single-faculty in Malaysia*

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	<b>Branch campus</b> Joint-brand campus Programme(s) within existing institute Articulation only	<b>Alone</b> Consortium	University College <b>Commercial partner</b> (:onward) Self-managed	Joint venture Revenue share Per capita fee Royalty Split by delivery <b>Fully owned (lease of property)</b>	<b>UG – single award</b> UG – joint award PG Taught Preparation	<b>Flying faculty</b> Bespoke SOP 3 <sup>rd</sup> party management with supervision JV-managed Fully owned Articulation only	Overseas institution <b>Local institution</b> Jointly-created 3 <sup>rd</sup> party Consortium	Comprehensive <b>Specific</b>	<b>F2F one location</b> F2F split F2F multiple Blended Learning Distance Learning with touchpoint centres Distance Learning
									



# Case study: Newcastle University, Johor Bahru, Malaysia

<b>Partners</b>	<b>EduCity Iskandar Sdn Bhd (EISB)</b> , owned by Khazanah Nasional (Malaysia's state investment vehicle) and other state entities.  The campus is academically directly managed by Newcastle University with facilities and corporate service support from EISB.	<b>Founded</b>  <b>Estimated student numbers</b>	2011  700 (NB one faculty only)
<b>University motivations</b>	<p><b>Revenue</b> – moderate to high motivator. The University has a particularly-marketable programme to the region (medical) and the local delivery opportunity has increased student recruitment in this key strength area for the University.</p> <p><b>Awareness</b> – with the particular faculty offering, the University has been able to grow market awareness in the medical field, inevitably having positive impacts to recruitment both to the UK and locally.</p> <p><b>Throughput</b> – unlike neighbouring University of Southampton's campus, which focuses on Engineering and only offers year 0, 1 and 2 of the 4-year Degrees, the Newcastle programmes are designed to be fully completed within Malaysia.</p>		
<b>Notes</b>	<ul style="list-style-type: none"> <li>• The Newcastle offering comprises exclusively of medical and related subjects, trading on the university strength and clear market need.</li> <li>• EISB was created to provide a new education city in the southern Malaysian state of Johor Bahru, within 30 minutes drive of Singapore. Education within EduCity is typically offered at 60% of the price for the equivalent programme in the home country. EduCity is currently home to 8 institutions including a British boarding school, three UK Universities, a Dutch maritime institute and two Singapore colleges.</li> <li>• The flagship operator at EduCity, University of Reading, opted for a comprehensive offering and occupies a 3,000 student capacity building. This has been a financial disaster leading to a write down of \$60m.</li> <li>• The role of EISB was originally envisaged as a developer to develop the land, streets, infrastructure, and then sell or lease the land to overseas institutions. However as the development matured, their role has evolved to provide more services including management of the operations, marketing and student recruitment etc.</li> </ul>		
<b>Success rating</b>	Newcastle University, Johor Bahru is a prime example of a focused opportunity, an aligned offering to local needs enjoying significant success. Market potential was clearly identified and capacity matched, reducing risk and resources. A very successful model.		

**Success**



**Effort**



# Case study: University of Sussex with Mahidol University, Thailand

*Institutional partnership offering dual degrees in bioscience*

	Set Up	Acting as	Partnership <i>University to:</i>	Financial	Academic level	Quality control	Content	Subjects	Delivery mode
Types	Branch campus Joint-brand campus <b>Programme(s) within existing institute Articulation only</b>	<b>Alone</b> Consortium	<b>University</b> College Commercial partner (:onward) Self-managed	Joint venture Revenue share Per capita fee Royalty <b>Split by delivery</b> Fully owned	UG – single award <b>UG – joint award</b> PG Taught Preparation	Flying faculty Bespoke SOP 3 <sup>rd</sup> party management with supervision JV-managed Fully owned <b>Articulation only</b>	Overseas institution Local institution <b>Jointly- created</b> 3 <sup>rd</sup> party Consortium	Comprehensive <b>Specific</b>	F2F one location <b>F2F split</b> F2F multiple Blended Learning Distance Learning with touchpoint centres Distance Learning



# Case study: University of Sussex with Mahidol University, Thailand

<b>Partners</b>	Direct relationship with the international cooperation division of Mahidol University	<b>Founded</b>  <b>Estimated student numbers</b>	TBC  50
<b>University motivations</b>	<p><b>Reputation</b> – strong motivation for both parties (prestigious university in Asia, reputable western university)</p> <p><b>Throughput</b> – moderate driver, although quality over quantity. Securing quality students into two years of UG tuition revenue.</p> <p><b>Revenue</b> – not a significant motivator due to low price point of local programme.</p>		
<b>Notes</b>	<ul style="list-style-type: none"> <li>• Thailand is not a mature TNE market due in part to high quality local delivery. However in 2017 the MoE announced plans to encourage 'high quality' overseas institutions to open branch campuses on favourable (but broadly unspecified) terms. Degree subjects must be matched to Thailand's '4.0 Policy' focusing on high-value, technology driven sectors.</li> <li>• Similar X+Y models exist with c.15 British University programmes and recently Carnegie Mellon have launched the first true joint campus in Thailand</li> </ul>		
<b>Success rating</b>	A modest success for both parties Reputation enhancing for both institutions with clearly aligned and modest motivations The number of students is typical of a successful partnership of this kind and is well matched to the level of risk and investment on behalf of both institutions		

Success



Effort







TNE in Asia

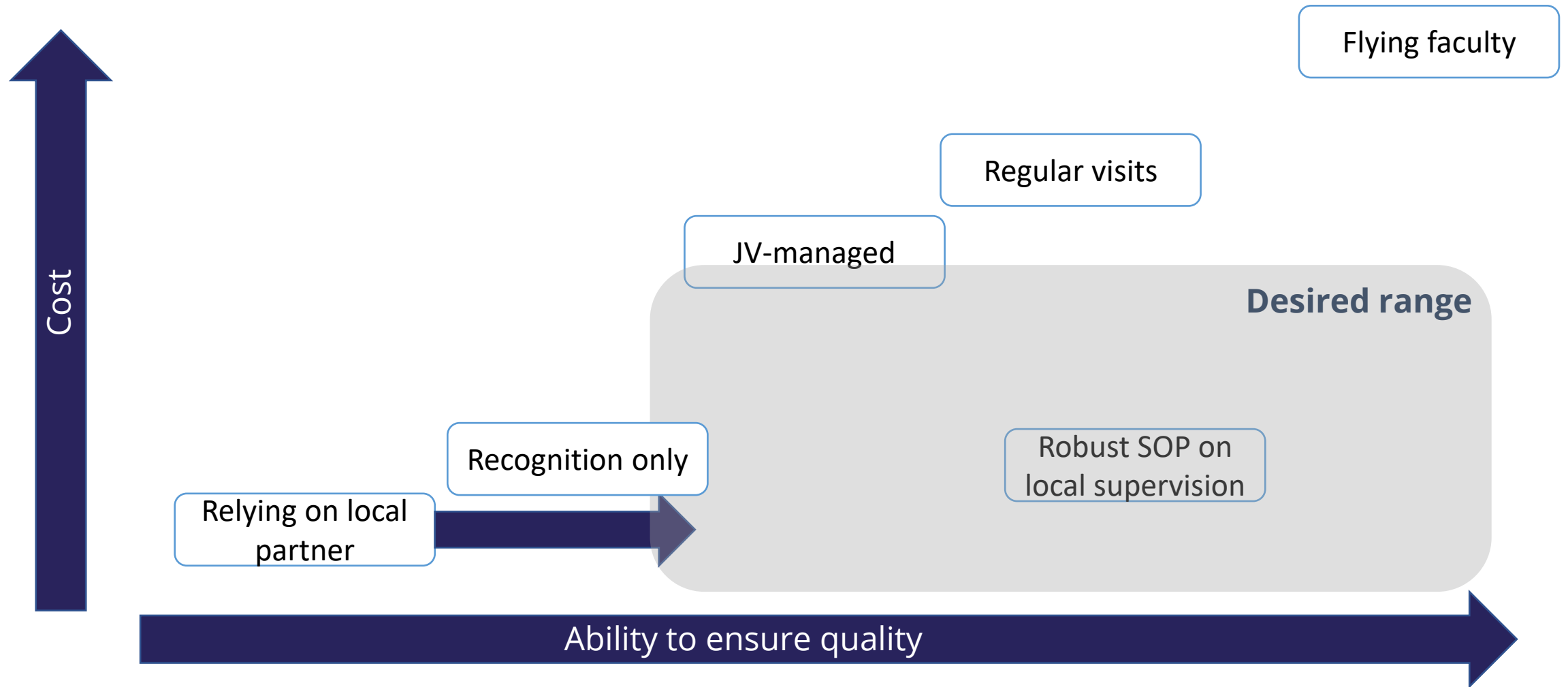
**Balancing academic  
quality with  
commercial viability**



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# Quality control management mechanisms versus cost



# Creating scalable quality control management

## Commercial

- Commercial principles
- Commercial code of conduct
- Marketing and sales regulations
- Student management policies

## Quality Control

- Quality assurance principles
- Academic code of conduct
- Roles and responsibilities framework
- Accreditation process
  - Content
  - Faculty
  - Facilities
- Awards and Assessments policy

## Academic Content

*Designed for third-party delivery*

- Syllabus
- Learning outcomes
- Detailed lesson plans
- Supporting resources

# Key factors in commercial viability

## Right market and location

- Mature versus emerging
- Supply versus demand

## Right offering

- Detailed market-sizing research
- Aligning with local needs

## Right partnership model and partner

- Matched to risk/reward perspective
- Alignment of motivations

## Realistic business plan

- Linked to market-sizing
- Appropriate investment and expected returns

## Right sales and marketing approach

- Driven (appropriately for education)
- Appropriate for local context



TNE in Asia

# Leveraging the Finnish advantage



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# Leveraging the Finnish advantage



- Perception of mature and successful economy, technologically-advanced
- High-achieving education system
- Limited exposure to international education markets – no reputation damage and not having high numbers to ‘defend’
- Perception of Finnish education being ‘different’ to traditional Asian style



- Not known as a typical study destination
- Traditional universities not offering Bachelor’s degrees taught in English
- Perception versus reality of language of instruction
- Limited exposure to international education markets – very little brand recognition of individual institutions
- Perception of Finnish education being ‘different’ to traditional Asian style

# Leveraging the Finnish advantage

**Focused offerings** leveraging Finland's core strengths:

- Innovation
- Advanced technologies
- Renewable energy
- Green economy
- Sustainability
- Education

Mapped to local strategic **objectives** and market **demand**

**Aligned partners** sharing similar visions and **compatible motivations**

**Niche** programme offerings in **mature** TNE markets

**Broader** offerings in **emerging** markets

Strongly consider **Nordic Consortium** for a 'total greater than sum of parts' approach





TNE in Asia

# Next steps and recommendations



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# Next steps and recommendations



## Groundwork

- Audit of current partnerships
- Capture equation and motivations
- Prioritisation of markets by key criteria
- Explore partnership development plans
- Consider third party partnership management
- Scope a Finnish consortium approach
- Mapping of key 'Finnish advantage' subjects to local/national government



## Execution

- Creation of robust but commercially-viable quality control SOP
- Proactive, targeted partner development outreach
- Willingness to transform or exit current partnerships





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