

The challenges of managing transnational education partnerships: the views of ‘home-based’ managers *versus* ‘in-country’ managers

Abstract

This paper investigates the challenges of managing transnational education (TNE) partnerships from the perspective of the home university managers. The study adopts a qualitative, ‘insider researcher’ methodology’. It uses a sample set of eight managers who operate from the home university and 13 ‘in-country’ managers who are seconded to head up the overseas TNE partnerships. The sample are all drawn from UK universities to standardise for other variables (eg, legislative framework). It finds that the managers based at the home campus report a generally negative attitude, emphasising the riskiness and the lack of scalability, sustainably and profitability, as well as the general resistance to TNE from staff on the home campus. The in-country managers, in contrast, experience the same lack of empathy from their peers at home, but this group tends to more closely associate themselves with their local colleagues and to be drawn into building relationships with local stakeholders. The limitation of this research is that it is based on a sample of managers from the same country. In practical terms, the findings suggest that universities need to do more to increase awareness and commitment to their TNE partnerships amongst staff at the home campus, while providing better professional development and more frequent rotations for their in-country managers. This paper extends the very limited literature on the management of TNE partnerships.

Introduction

Transnational education (TNE) is often portrayed as the most advanced stage of the internationalisation of higher education (Mazzarol *et al* 2003, Altbach and Knight 2007, Altbach *et al* 2009). This characterisation follows the ‘stages’ approach to the internationalisation of business pioneered by the ‘Swedish School’ (Johanson and Vahlne 1977, 1990), which argues that internationalisation occurs in incremental stages, starting with exporting, then licensing, finally followed by direct foreign investment in production and distribution facilities.

There is considerable evidence that higher education has followed a stages approach. In countries like Australia and the UK (today’s global leaders in terms of the percentage of international enrolments), universities began to recruit international students to their home campuses in volume in the early 1980s. In trade terms, this constitutes ‘export education’, equivalent to the export of tourism services. In the 1990s, universities from the same home countries started to deliver their programmes through local partners, mostly in Asia, offering their qualifications under licence. Since 2000, Australian and UK universities have begun establishing ‘international branch campuses’ (IBCs) offshore, to deliver their programmes directly (Ziguras and McBurnie 2011). The range of exporting countries with IBCs has since broadened to include the United States, Russia, France, India and Germany.

Managing TNE programmes presents unique challenges to the home universities. Unlike multinational corporations (MNCs), which have decades of experience of operating in alien markets, universities are generally conservative, inward-looking and complex organisations (Baldrige 1971) with arcane governance structures – ‘academic politics are so vicious

precisely because the stakes are so small', as the adage goes. Far from being free-wheeling, profit-maximising buccaneers roaming the globe in search of easy profits, universities are slow-moving, bureaucratic institutions with a strongly national, indeed local, identity. Their senior managers are invariably career academics, volunteering from the ranks to undertake fixed-term managerial roles out of a stolid sense of duty, rather than 'young Turks' eager to build a global reputation as international executives.

At the same time, TNE partnerships often operate in the rapidly-growing economies of the Middle-East and Asia, where the linguistic, cultural, political and legislative environments are very foreign to those of the exporting universities. While so-called 'South-South' TNE partnerships are beginning to emerge, with Indian universities like Amity, BITS Pilani, and Manipal setting up franchises and IBCs in third markets where there is a large expatriate South Asian population – notably in the Middle-East – TNE currently remains a predominantly 'North-South' phenomenon. For example, for IBCs where surveys are regularly carried out, the home countries are overwhelmingly from the North and the hosts from the South (see Table 1).

Table 1: International branch campuses by home and host country (January 2017)

Home Country	No. of IBCs	Host Country	No. of IBCs
USA	76	China	32
UK	39	UAE	31
France	28	Malaysia	12
Russia	21	Singapore	11
Australia	15	Qatar	11
Netherlands	9	Uzbekistan	5
India	7	Hong Kong (SAR)	5
Other	53	Other	141
Total	248	Total	248

Source: Cross-Border Educational Research Team (C-BERT), SUNY Albany

Even battle-hardened western MNCs find operating in hereditary monarchies and one-party states more demanding than their daily business in liberal market democracies. For university bureaucrats, almost all the tenets of day-to-day academic life – academic freedom, academic integrity, the separation of academia and state, the separation of religion and state, the relationship between faculty and their students – must be renegotiated in a TNE partnership.

It might be expected that, as a result, managing TNE partnerships would be uniquely challenging to the senior academics involved in management roles. This paper investigates these challenges from the perspective of UK university managers, using a qualitative, 'insider researcher' methodology'. By interviewing senior staff involved with the management of TNE partnerships, both licensing arrangements with third parties and IBCs, it sheds light on the range of issues faced by managers based at the home university and those in-country. It finds that, in comparison to the internationalisation of business, the internationalisation of higher education is less inexorable and more internally contested. Whether TNE continues to develop

or fades away will depend on the sector's ability to professionalise and institutionalise the management of its offshore activities.

Literature review

One of the earliest and most tractable definitions of TNE is 'any teaching or learning activity in which *the students are in a different country to that in which the institution providing the education is based*' (Global Alliance for Transnational Education 1997, p.1, italics added). There are a number of recognised delivery channels by which this educational service may be provided. Traditionally, the literature has distinguished between three broad types of TNE:

1. Distance-learning – the university in country A delivers the education to a student in country B without either party physically crossing borders. The University of London provided distance-learning degrees by correspondence for 150 years, while more recently, online or virtual education has allowed students to study remotely. With adequate security controls (to assure the identity of students submitting coursework or sitting examinations), distance-learning allows the home university to fully control delivery of the educational service, although online courses are expensive to set up.
2. Licensing – the university in country A licenses a provider in country B to deliver the education to local students. Generally, this involves UK and Australian universities franchising their degrees to private colleges in developing countries, which deliver a pre-set curriculum using local academic staff (note: franchising is also known as 'twinning' in Australia). Often the home university retains authority for setting and marking assessment and examinations. While franchising is a financially inexpensive way of penetrating a new market, problems often arise if the home university and the joint venture partner, usually a private for-profit college, have divergent objectives (eg, academic quality *versus* profit maximising). Validation is a variation of franchising, where instead of the home university developing and licensing the curriculum, the curriculum is developed by the foreign partner and, through an institutional accreditation process, is deemed to be equivalent to that of the home university, so allowing the partner to offer the university's degrees.
3. IBCs – the university in country A establishes a satellite campus in country B to deliver the education to local students. In most cases, the IBC is set up as a new private company in the host country, normally with a local joint venture partner which provides part of the capital and the local expertise to launch the enterprise. IBCs, at face value, appear to give the home university more control over academic quality than a licensing arrangement, but the financial investment may be significant and many IBCs face a similar tension between the academic goals of the university and the more overtly commercial objectives of its joint venture partner.

In practice, these three main delivery channels have become blurred and increasingly overlap (Healey and Bordogna 2014, Caruana and Montgomery 2015, Healey 2015a). In a digitally connected world, almost every TNE partnership is underpinned by a virtual learning environment – knowledge flows freely to everyone with an wi-fi connection and a smartphone. Similarly, there is a continuum between a franchise and an IBC, rather than a dichotomy. Most franchises rely on 'flying faculty' to support the teaching and assessment of students, while most IBCs employ a majority of locally-hired administrative and academic staff.

Why do universities engage in transnational education?

The general view in the academic literature is that, particularly in countries like the UK and Australia where domestic tuition fees are regulated and enrolments have historically been capped, universities see TNE as a way of growing and diversifying revenue (Hatakenaka 2004, Drew *et al* 2006). Garrett (2004) concluded that ‘income generation is the dominant motivation, and other rationales remain under-articulated’ (p.6). A survey of UK universities by Drew *et al* (2008) found that ‘traditional international recruitment to the UK is seen as “fading” and TNE is a way of making up shortfalls in income’ (p.15); see also Woodfield *et al* (2009) and Woodhouse *et al* (2009). A study by Tilak (2011) concluded that ‘narrow economic considerations seem to be the main objectives of present and emerging forms of internationalization of higher education’ (p.26).

Other commentators have taken a wider view and emphasised that, apart from financial goals, there may be reputational or academic objectives for engaging in TNE (eg, Kwan 2005, McBurnie and Ziguras 2009, Sidhu 2009, Wilkins and Huisman 2012, Emery and Worton 2014). One survey reviewing the literature concludes that an important motivation for universities establishing IBCs is to raise their international profile (Shams and Huisman 2012). Other writers have been more sceptical, concluding that transnational ventures can often be ill-thought out and opportunistic rather than strategic (Shanahan and McParlane 2005, Healey 2013).

The potential reputational gain from a successful TNE partnership needs to set against the ‘need to manage reputational risk should a venture fail or disappoint expectations’ (Grant 2013, p.18). A study by Edwards *et al* (2010) of institutional audits by the Australian Universities Quality Agency (AQUA) identified a range of risks, including reputational risk, conflicts of interest and poor-quality teaching. The British Council (2012) reported numerous obstacles to TNE, including ‘security issues, legislative barriers and...corruption’ (p.45). Fear of these risks and conservative management practices may limit the responsiveness of universities to TNE opportunities.

Managing staff in transnational education partnerships

Managing academic staff involved in a TNE partnership presents novel challenges, including tensions between expatriate managers and locally-employed academic staff, with the latter resenting the inferior terms and conditions for staff employed by the partner institution relative to the home campus, the lack of support for professional development and the limited scope for career advancement (Hughes 2011). Eldridge and Cranston (2009) used Hofstede’s ‘cultural dimensions’ theory to explore the link between the management style employed by seconded managers and the culture of the host market. They found that the greater the cultural distance between expatriate managers and locally hired staff, the greater the potential for miscommunication and distrust.

‘Flying faculty’, who are often sent from the home campus for short periods to support teaching and quality assurance at the TNE partner, can also be difficult to manage. The motivations of the flying faculty are varied. For example, they may accept a one-off teaching assignment as a form of ‘academic tourism’, with no emotional commitment to the venture, and the manager of the IBC may have no formal line management authority over these staff while they are on

his/her campus (McDonnell and Boyle 2012, Salt and Wood 2014, Smith 2014). Other studies have explored the difficulties of managing seconded expatriate staff who feel themselves to be ‘serving two masters’ and are torn between allegiance to the managers of the TNE partnership and their home university (eg, McCully, McDaniel and Roth 2009, Smith 2009, Dobos 2011, Chapman *et al* 2014).

Managing students in transnational education partnerships

For the managers of TNE partnerships, one of the challenges is the difficulty of dealing with students who have very different learning styles and cultural frames of reference (Bodycott and Walker 2000, Dunn and Wallace 2004, 2006, Hoare 2013). Students studying for TNE qualifications are likely to have difficulty adapting their learning styles to the teaching methods promulgated by the home university (Kelly and Tak 1998, Wang 2008, Egege and Kutieleh 2009, Humfrey 2009, Pimpa 2009, Hefferman *et al* 2010, Prowse and Goddard 2010, Marginson 2011, O’Mahoney 2014).

A qualitative research study by Walton and Guarisco (2007) highlights this tension. One of their interviewees commented on the difficulties of using an ‘Anglo-American’ pedagogy to teach Russian students in a TNE partnership, observing that ‘traditionally the Russian higher education system has been based on the German one, where the teacher or lecturer is a guru who tells stupid kids what they should do...They are supposed to take notes, learn by heart, think for a while, and then present what they have learned at examination’ (p.360).

Students appear to choose to study with TNE providers because they want a foreign educational experience (Nguyen and LeBlanc 2001, Wilkins and Huisman 2011, 2013, Wilkins *et al* 2012), but unlike an international student, who leaves his/her own country to be immersed in the culture of the host country while studying overseas, TNE students remain in their home country. This may make it harder for them to adapt to the teaching environment, which is effectively a transient ‘bubble’ of foreign culture which the students experience for only part of each day, resulting in conflicts of identity and adjustment difficulties (Chapman and Pyvis 2006, Wilkins and Balakrishnan 2013).

Managing quality in transnational education partnerships

Together with managing staff and students in TNE operations, the management of academic quality is the other most widely researched area (eg, Hodson and Thomas 2001, Coleman 2003, Castle and Kelly 2004, Craft 2004, Cheung 2006, Stella 2006, Blackmur 2007, Smith 2010, Edwards *et al* 2010, Lim 2010, Shams 2017). This is because a key challenge for universities, regulators and policymakers with TNE is quality assurance (Martin 2007). The reputations of individual universities and national higher education systems are, in large part, based on the perceived quality of their academic awards.

As noted above, providing education across borders exposes the exporting universities to varying degrees of reputational risk. Distance-learning courses may be compromised by online fraud (eg, learners using friends to complete assessments). Franchise and validation arrangements may be undermined by the ‘principal-agent’ problem, with the partner colleges (agents) having different objectives (eg, profit maximisation rather than academic quality) from the awarding UK universities (principals); see Healey (2015a). This is a specific example of

the more general ‘problem of inducing an “agent” to behave as if he were maximizing the “principal’s” welfare’ (Jensen and Meckling 1976, p.309).

While IBCs are generally regarded as being towards the low-risk end of the quality spectrum, maintaining quality control in IBCs may nevertheless be difficult because managers and staff operate in an alien culture far from the home campus. Because so many of the staff are locally hired, they may share different value sets from their managers and find it hard to apply academic regulations and procedures devised in the home university.

One of the special complexities of managing academic quality in a TNE partnership is that, in an increasing number of host markets, the managers must satisfy the regulatory requirements of both the home governmental agency (for UK-origin IBCs, the Quality Assurance Agency) and the host governmental agency (McBurnie and Ziguras 2001). In Malaysia, for example, TNE providers are subject to regulation by the Malaysian Qualifications Agency, which specifies the curriculum requirements, and the Ministry of Education, which controls enrolment numbers and tuition fees (Mok and Yu 2011). A key challenge for quality assurance in transnational ventures is the extent to which the metrics should be adapted to local conditions (Pyvis 2011).

Managing a transnational education partnership

One of the most interesting, and least researched, issues is the challenge of actually managing a TNE partnership from the perspective of the managers involved. Typically, the managers are staff at the home university who oversee the TNE partnership remotely, supplemented by regular visits, or who are seconded to work and live in the host country. A survey by Healey (2015b) found that most studies of TNE partnerships were by expatriate academic staff teaching within the partnerships or by those involved in quality assurance, with the focus rarely being on the managers themselves.

In a later paper, Healey (2016) used a qualitative insider researcher methodology to investigate the ‘lived experience’ of in-country senior managers managing IBCs. The study revealed a range of issues, including the difficulties of operating a for-profit educational institution in an alien commercial and culture environment, strained relations with senior managers on the home campus and balancing the profit motives of a local joint venture partner with the home university’s desire to maintain academic quality.

In the world of TNE, however, IBCs are a very small part of the overall picture. The UK’s Higher Education Statistics Agency (HESA) collects data on the TNE enrolments (termed ‘students studying wholly overseas’) for UK universities. In 2015/16 (the latest data available), only 3.6% of the total TNE enrolments were studying at IBCs (Table 2). The vast majority were either studying for a UK degree through an ‘overseas partner organisation’.

Table 2: Higher education students studying wholly overseas by type of activity 2015/16

	Total	Percentage
Students registered at a UK HE provider		
Overseas campus of reporting HE provider	25335	3.6%
Distance, flexible or distributed learning	113995	16.3%
Other arrangement including collaborative provision	138110	19.7%
Total students registered at a UK HE provider	277445	
Students studying for an award of a UK HE provider		
Overseas partner organisation	416065	59.4%
Other arrangement	7500	1.1%
Total students studying for an award of a UK HE provider	423570	
Total	701010	100.0%

Source: HESA

This paper builds on Healey (2016) by broadening the focus to explore the challenges faced by the managers of different types of TNE partnership. Specifically, it addresses two interrelated research questions:

1. What do the managers of TNE partnerships based at the home university perceive to be the challenges of managing the partnership?
2. What do the seconded managers of TNE partnerships based at the partner institution, whether a franchise college or an IBC, perceive to be the challenges of managing the partnership?

The logic of looking at the perspectives of these two different groups is that the literature suggests that the latter are likely to identify more closely with their peers at the partner institution and become increasingly less detached and objective. On the other hand, the greater cultural distance suggests that the former group may find it difficult to understand the context within which the partner institution is working and more likely to be intolerant of requests for local adjustments to the curriculum and ‘standard operating procedures’.

Methodology

The research methodology adopted is insider research, using face-to-face interviews with the managers of TNE partnerships of UK universities to explore the stakeholders with whom they interface and the managerial challenges they experience. Insider research carried out by an experienced manager interviewing his/her peers has a number of advantages over other forms of qualitative research (Kanuha 2000). The interviewer brings extensive background knowledge to the conversation (Hannabus 2000), it is easier to establish trust and rapport with peers (Hockey 1993) and the power asymmetry often associated with interviewing ‘elites’ is significantly reduced (Healey 2017).

Choosing a sample of universities from a single home country was intended to standardise for other factors, like organisational culture, legislative environment and so on. The sample set is summarised in Table 3. The home-based managers were chosen to represent the four main ‘mission groups’ in the UK: Russell Group (elite universities), 1994 Group (smaller research-intensive universities, now disbanded), University Alliance (industry-focused universities) and Million+ (teaching-intensive universities). The in-country managers were also selected to represent all four mission groups, but these are not revealed in Table 3 to preserve anonymity, as there are relatively few UK universities operating in each country.

Table 3: Sample set for qualitative interviews

Managers of transnational education partnerships based at the home university		
A	Pro-Vice-Chancellor	Russell Group university 1
B	International Director	Russell Group university 1
C	Dean	Former 1994 Group university 1
D	International Manager	Former 1994 Group university 2
E	Pro-Vice-Chancellor	University Alliance university 1
F	International Director	University Alliance university 2
G	Associate Dean (International)	University Alliance university 3
H	Dean	Million+ university
Managers of transnational education partnerships based at the partner institution		
J	Former Provost	Malaysia partner 1
K	Provost	Malaysia partner 1
L	Dean	Malaysia partner 1
M	Vice-President	Malaysia partner 2
N	Vice President	Malaysia partner 2
P	Provost	Malaysia partner 3
Q	Provost	Malaysia partner 4
R	Acting Provost	Malaysia partner 5
S	Provost	United Arab Emirates partner 1
T	Provost	United Arab Emirates partner 2
U	Head of School	United Arab Emirates partner 3
V	Provost	China partner 1
W	Vice-Provost	China partner 1

The interviews were semi-structured, 90-120 minutes in length and invited participants (on condition of confidentiality and anonymity) to ‘tell their story’; that is, to provide a documentary account of their experience of managing a TNE partnership, with cues from the interviewer to ask them to reflect on the personal and professional challenges, their key relationships with stakeholders and the major turning points in events. This interview technique allows participants to express their subjective perspective on the way they see and interpret the world (Opie 2004). The interviews were transcribed and the qualitative data were coded to discrete conceptual ‘bins’. These bins were then organised into clusters which share a common theme (Biddle *et al* 2001).

Qualitative research of this nature provides deep insights into the way individuals interpret and construct reality and helps answer research questions like ‘What do the managers of TNE partnerships based at the home university perceive to be the challenges of managing the

partnership?'. By definition, any findings are not generalizable, in the sense that they cannot be presumed to apply to *all* managers of *all* TNE partnership in *all* host countries, but this methodology provides a richness of insight that cannot be obtained using other methodologies (Healey 2017) and provides a foundation for theory-building.

Results

The interviews were deliberately open, to avoid leading the participants. The focus of the data analysis was on identifying the managerial challenges as perceived by the managers of the TNE partnerships, but it is important to stress that participants reported many positive aspects of the partnership. Most were attracted to the roles by the prospect of working across national, cultural and linguistic borders and generally found their involvement fulfilling and worthwhile. Participant M echoed the sentiments of others when he observed that 'I find this a fascinating country to work in and to try and work out how to make things happen'; participant R added 'it's exciting to run a new project and exciting to build a university'. Reflecting on his personal growth through managing the partnership, participant S observed that 'I know I'm a different person by doing what I did. Otherwise I would have just been stuck doing what I was doing before. It's given me opportunities'.

Several also noted that the TNE partnership had the welcome effect of making staff on the UK campus more international in their outlook. A UK-based manager of a TNE partnership in India was clear about the wider benefits: 'this relationship helps us to develop our view of the world. Individual staff have had very stretching opportunities... The staff who were directly involved had amazingly enriching opportunities. We need to make sure more people are involved' (Participant G). Nevertheless, while most participants acknowledged the opportunities for personal and professional growth for the staff directly involved in the TNE partnerships, there was a widespread consensus that these benefits came at an organisational cost. The following sections summarise these challenges from the perspectives of the 'home-based' and 'in-country' managers.

The view from the home-based managers

Transnational education partnerships are risky: There was general agreement that TNE partnerships are very risky, with the participants from Russell and former 1994 Group universities (A-D) reporting that, as a matter of policy, they did not engage in franchising and validating offshore provision because of the reputational risk. Speaking for one University Alliance member, participant G noted that 'we have closed a lot of programmes... 10 years ago we had [franchised and validated] programmes in Spain, Norway Germany, Hong Kong, Italy: they were all closed'. He revealed that, after another prominent University Alliance member was 'clobbered in a collaborative audit, our VC got cold feet and ordered a lot of them to be closed. It was a knee jerk reaction to being caught by the QAA [Quality Assurance Agency]'. Most participants were not persuaded that IBCs reduced the risk of reputational damage, conceding that although the principal-agency risks were reduced, the financial failure of campuses like UNSW Asia and George Mason University (Ras al-Khaimah) had caused significant reputational damage to the home universities.

Transnational education partnerships are not scalable: The participants did not believe that the present forms of TNE are scalable, because they depend upon the willingness of academic

staff to spend their time travelling to support programme delivery and quality assurance. Participant D commented that ‘most [academics] do not understand or care... that is the general attitude to international activities, they want to concentrate on their research’. Participant C went further and claimed that ‘people see [TNE] as a pain in the ass’. Several of the participants felt their universities lacked the institutional capacity to manage quality assurance in their TNE activity.

Transnational education partnerships are not sustainable: Participant K summed up the dilemma that ‘you’ll only be in it [TNE] until the country is doing its own...degrees... [That] is not a sustainable model, you’re just plugging the gap until their own sector fills it.’ Participant C was equally forthright: ‘what we are doing is training the next cohort of university lecturers for China. That’s the equivalent of the Chinese coming over and buying the blueprints from Jaguar.’

Transnational education partnerships are not profitable: None of the participants believed that TNE was profitable. Participant B was blunt: ‘you’ll never make money in the medium term’. Participant E concurred: ‘have we made money? If we take the full costs into account, we probably don’t’. The participants all distinguished between the revenue streams from TNE, which are generally modest, and the costs, which are invariably underestimated, so making the activities unprofitable. Participant A explained why it can be so hard for IBCs to make surpluses: ‘universities take international students on a marginal cost basis, it helps them get to minimum efficient scale. If you set up overseas, the international enrolments have to cover *all* the costs. You probably need at least 6,000 students to reach minimum efficient scale and, in most cases, that’s never going to happen.’

The rest of the university is opposed to transnational education: Some of the participants observed that many staff are actively hostile to their institutions engaging in TNE, rather than simply being uninterested because of their research commitments. Participant D explained that ‘it is not our core business, we shouldn’t be doing something that takes up resources that could be used elsewhere’, adding that one powerful opponent to TNE felt that ‘the quality of students in [the TNE programme] is lower than here, non-traditional students who’re not going to get firsts, this reflects badly on the [home university]’.

The view from the in-country managers

Managers lack sufficient training: Most of the in-country managers interviewed were seconded from the home university. While they differed considerably in age, most had little previous management experience at the home university. Participant M noted that ‘I didn’t have any senior management role at the University of X...so this really is getting into the deep end’. Given the inherent riskiness of managing a TNE partnership, it is surprising that universities do not seem to second their most experienced and successful senior managers to take on these roles. One reason seems to be that these offshore roles are perceived as exotic and tenuous and so are unattractive to those trying to build a career in senior academic management.

Managers have a poor relationship with the home university: Participant Q summed up a common complaint: ‘the biggest challenge from day one has been the UK campus’. A wide range of issues were reported in terms of dysfunctional relationships between the in-country managers and their academic colleagues at the home university, ranging from ignorance and

indifference at one extreme to outright hostility at the other. A lack of empathy and understanding by colleagues at home was repeatedly highlighted. Participant U lamented that ‘a lot of people I speak to at the home campus hadn’t got a clue what was going on here’. Relationships can be strained by the home campus using processes and policies that are not fit for purpose for the TNE partner. It is not simply that the home university’s processes may not work in the context of the host country; participant J explained that the problem is also that TNE is a fundamentally different type of activity, being a for-profit enterprise, typically with a local commercial partner.

Managers find host governments overly controlling: Participant P explained that ‘universities here [in Malaysia] are not self-governing. This [independence from government] is something in British higher education we just take for granted. Here we are directly accountable to the Ministry of Education’. TNE partnerships are subject to a range of controls, including national legalisation on immigration (for both staff and students), employment rights, taxation and planning. The regulatory bodies play a crucial role in constraining or mandating the degree of customisation of the curriculum – eg, ‘patriotic’ courses must be taught by foreign universities operating in China. It is notable that all the main host markets (China, Malaysia, Hong Kong, Singapore) have highly-developed regulatory frameworks to control foreign providers.

Managers have a complicated relationship with the joint venture partner: TNE partnerships almost always involve local joint venture (JV) partners. In a franchise, the partner is a private college; in an IBC, the campus is established as a private educational company in the host country, with the home university often sharing an equity stake with one or more local joint venture partners. Participant K reported that the relationship with the management team of the joint venture partner ‘is complicated because we are minority shareholders in the joint venture. So, it’s not a partnership of equals’. Participant V complained, ‘from a governance point of view, I think the issue is with the balance of power... We always struggle with it’.

There are difficulties managing staff: From a manager’s perspective, there are a range of challenges of dealing with different groups of academic staff, which include seconded staff from the home campus and locally-hired staff. As participant Q explained, ‘the secondees vary from long-term secondments like myself...to the short-term flying faculty’. Short-term assignments mean that the staff do not have enough time overseas to develop a deep cultural understanding and are often reported to have little commitment to the enterprise. Participant L reported that the generous salaries and benefits paid to seconded staff can lead to frictions with the local staff and, *in extremis*, allegations of racial discrimination.

There are difficulties managing students: The participants reported a range of issues with students, which primarily related to the difficulties of teaching students with unfamiliar learning styles and needs, as well as weak English language ability. Although they conceded that the same issues existed on UK campuses, there was a general feeling that these difficulties were exacerbated when students are being taught in their home countries. Several interviewees argued that the central challenge was to give students a UK-style education that led to the same learning outcomes as in the UK, which is difficult when the students and most of the staff are operating in a different cultural context. Participant L summarised the problem in this way: ‘if you go back to this power-distance index, students are at the bottom of the pile. So, they won’t

expect to question an academic. And an academic won't expect a student to question them. Whereas what we want is to develop those soft skills where a student will question'.

Discussion

The results highlight a predictable dichotomy, with the managers of TNE partnerships who remain at home reporting a generally negative attitude, emphasising the riskiness and the lack of scalability, sustainably and profitability, as well as the general resistance to TNE from staff on the home campus. Such managers typically regard TNE as a diversion from the core business of teaching and research and often feel themselves to be a 'lightning rod' for the similar disaffection of their colleagues on the home campus (Fielden 2011, Healey 2013).

The in-country managers, in contrast, experience the same lack of empathy from their peers at home, but this manifests itself more as frustration and conflict with those on the home campus, rather than a shared opposition to the TNE partnership. This group of managers tends to more closely associate themselves with their local colleagues and to be drawn into building relationships with the host government, the joint venture partner, local staff and students (Bolton and Nie 2010, Dobos 2011).

Although it is arguably a crude oversimplification, one conclusion is that the home-based managers 'don't care much' about TNE partnerships, while the in-country managers 'care too much'. The former lack the empathy and contextual awareness to champion the partnership, while the latter risk becoming too emotionally invested to remain objective and professional.

An obvious recommendation for building a successful TNE partnership is to ensure that the senior home-based managers are regularly and routinely sent out to the partner to take part in planning meetings, so that they build a rapport and understanding of the local context. On the other side of the coin, prospective secondees need to be given proper management training to succeed in the field and regular rotations (ie, trips back to the home campuses) to stay grounded and bonded with their peers at home.

In this investigation, there were examples of UK universities which understand these tensions and which have worked hard to make their TNE partnerships part of their core business – for example, by holding senior management team meetings at different locations across their global network and treating their offshore managers as part on an integrated central team. There were, sadly, other examples, where the TNE partnerships were clearly seen by staff at the home campus as the deluded vanity project of a vice-chancellor and the seconded managers felt themselves to have be 'out of sight, out of mind'.

Conclusion

By adopting a qualitative insider-researcher methodology, this paper investigates the challenges of managing the growing number of TNE partnerships, in their various forms, from the perspective of home-based and in-country managers. There is very little TNE research that gets 'inside the black box' and this paper builds on the earlier work of Healey (2016) to compare and contrast the challenges faced by two groups of managers in very different situations.

From the perspective of the managers of TNE partnerships who remain based at the home campus, they often face resistance and scepticism. For almost all universities engaged in TNE, the overwhelming ‘centre of gravity’, operationally and financially, is the home campus, and for those charged with championing the transnational activities, it can seem a thankless task – the educational equivalent of being assigned to ‘special projects’ in the corporate world. For those managers, often plucked from relative obscurity to be seconded to exotic overseas postings, acting as their university’s principal in a foreign partnership can seem equally unrewarding, with the added psychological stress of bonding with their local peers in a process akin to academic ‘Stockholm Syndrome’.

The internationalisation of higher education is often analysed within the ‘stages’ framework of the international business literature. While this conceptual framework has considerable attraction in providing a way of thinking about the incremental stages of internationalisation, it has the weakness of implying that internationalisation is a relentless, unstoppable process. This paper suggests that, based on the evidence from home-based and in-country managers, the development of TNE partnerships, internationalisation is contested and far from inevitable. Higher education is in the early stages of internationalisation and TNE is scarcely two decades old. Whether TNE continues to develop or fades away will depend on the sector’s ability to professionalise and institutionalise the management of its offshore activities.

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