

Foreign Universities in China: a case study

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Introduction

The internationalisation of higher education is not a recent phenomenon; indeed many would argue that higher education has always had an international character. However, the past two decades have witnessed an unprecedented expansion in the scale and scope of international activity within the tertiary sector, worldwide. The factors driving internationalisation are well-known; on the demand side, a global labour market, the needs of a knowledge economy, and the desire to learn from the world's best have all encouraged students and governments to seek greater opportunities for international study and international partnerships. On the supply side, declining mobility costs, developments in ICT, trade liberalisation and increased private sector investment have led to an increase in the availability of opportunities for international engagement (Knight, 2004). The dramatic expansion in numbers of students studying internationally and in the number of international institutional partnerships is evidence of the growth in scale. The diversity of forms of international activity, ranging from traditional student recruitment and mobility, to transnational curriculum and delivery partnerships, collaborative research networks and international campuses is testament to the expansion in scope.

As Knight (2004) implies, private sector investment and the growth in private sector provision of higher education have been factors which have contributed to increased internationalisation. Private higher education is probably most strongly associated with the US, although the East Asian economies of Japan, Taiwan and South Korea have a long tradition of supporting private provision and the private sector has played an important role in the growth of tertiary education in South America. In recent years, the private provision of higher education has become more widespread in response to the diverse pressures of globalisation, rapid expansion in demand and greater pressures on public finances. Market-based provision of HE takes a diversity of forms; private sector providers may be for profit or not for profit, domestic or international and may operate independently or in partnership with public providers. One important consequence of the growing development and acceptance of private sector provision has been a dramatic increase in the opportunities available to international providers to deliver higher education outside of their traditional jurisdictions. Foreign providers may opt for delivery locally or remotely and via a variety of legal and organisational arrangements.

Traditionally, China's higher education sector had been relatively disengaged from the international arena. This was to change with reform and opening up which created a need and a desire to access international capacity to deliver higher

education and international expertise in research and teaching. A traditionally elite tertiary system expanded dramatically from the late 1990s resulting in total enrolment numbers of around 25 million by 2006 and a gross enrolment rate of 22%, compared with a figure of around 7% ten years previously. The economic and political significance of China and the rapid expansion of and investment in higher education attracted the interest of foreign universities from across the world which sought to respond to emerging international opportunities through the recruitment of Chinese students, the delivery of programmes in China and the development of research partnerships and networks.

The focus of this article is on foreign provision of higher education in China with a particular focus on the UK and Europe. The article reviews generic taxonomies of transnational provision of higher education and illustrates these with evidence from the UK, Europe and China. In the post-Mao period, the policy environment for higher education in China has changed dramatically, culminating in 2003 in the decision to allow foreign universities to formally establish partnerships with Chinese universities for the delivery of higher education. The development and operation of the University of Nottingham Ningbo, China, is discussed in order to provide more detailed insights into the nature and challenges of delivering foreign higher education provision in a Chinese context.

Higher Education: internationalisation and privatisation

The internationalisation of higher education has attracted considerable interest from researchers seeking to understand the motivations, forms, processes and consequences of a growth in international activity. Terminologies and definitions have evolved over both time and space, giving rise to a diversity of discourses and debates over meanings (see for example Knight, 2004, 2005). Notwithstanding such debates, there is general consensus regarding the expanding scale and scope of international activity within HE. A traditional focus on the mobility of students and scholars has been augmented by a diversity of forms of collaboration in teaching and research, including franchising, validations, distance and online learning, international campuses, research partnerships and networks, and international research programmes. In addition, the concept of internationalisation 'at home' and the implications for curriculum content and skills development among staff and students have also become increasingly important.

The motivations for increased international activity within HE are diverse and complex, operating at both institutional and national levels. Initially, four broad types of motivation for internationalisation were identified by Knight & de Wit (1997; 1999), namely social/cultural, political, academic, and economic. Subsequently, this categorisation has been expanded to recognise the importance of additional national considerations, including human resource development and nation building, and additional institutional considerations including staff and student development, income generation and institutional reputation (Knight, 2004). Others have distinguished between push and pull factors in relation to internationalisation (Green *et al.*, 2007). Push factors include consideration of revenue, competitive pressures, quality and reputation and service mission, while pull factors include overall demand for HE, demand for international HE, favourable government policy and the growing interest in developing partnerships with Anglophone countries.

While noting that the internationalisation of HE as a phenomenon has important elements that focus on the institution domestically (e.g. skills and content dimensions of the curriculum) and on research, it is probably in the area of delivering educational programmes that some of the most important and visible developments have taken place. In trying to conceptualise these developments, the principles for trade in services outlined by GATS provide a helpful framework. In essence, this categorisation focuses on the different locational options for service providers and service recipients.

- GATS Mode 1: Provider and recipient remain in their home country and the service is delivered remotely. This encompasses both distance and online learning such as that provided by public providers (e.g. the Open University in the UK and the University of Liverpool) and private providers (e.g. U21Global). Increasingly, institutions are combining Mode 1 and Mode 4 provision, by delivering programmes that combine face to face delivery from fly-in faculty and online study resources as is the case, for example with the Cass Business School's EMBA in China.
- GATS Mode 2: The recipient of educational services moves to the provider country in order to access delivery. This is the traditional export format in which institutions recruit students internationally to study all or part of their programme at the home campus. The movement of researchers in connection with substantive, long term projects might also fall under this category. China has become a major exporter of international students and Europe — and the UK in particular — have been major recipients, as Table I shows. Over 450,000 Chinese students were studying overseas in 2006 and the key international student destinations (US, UK, Australia) all show a significant dependence on the Chinese market. Variants of this mode of delivery combine periods of study in the home country and overseas through a variety of twinning and articulation arrangements.

TABLE I. Chinese HE Students Studying Internationally 2006

| | From China | All international | Chinese as a % of all international |
|-----------|------------|-------------------|-------------------------------------|
| US | 93962 | 584817 | 16.07% |
| UK | 50753 | 330078 | 15.38% |
| France | 17132 | 247510 | 6.92% |
| Germany | 27390 | 261363 | 10.48% |
| Japan | 86378 | 130124 | 66.38% |
| Australia | 42008 | 184710 | 22.74% |
| Canada | 30906 | 148164 | 20.86% |

Source: OECD (2008) Education at a Glance 2008.

- GATS Mode 3: This involves a commercial presence whereby the provider establishes a permanent base in the recipients' domestic market. In its early forms, this would have included franchising and also some validation arrangements and more recently is also represented by the establishment of international campuses that seek to directly target students in a host country

as opposed to campuses that were created for outward student mobility. There are numerous examples of franchising and validation developments; campus initiatives would include initiatives by the University of Nottingham in Malaysia and China, by Monash University in Malaysia and South Africa and by Liverpool University in China. Most recently, Denmark's Ministry of Science and Technology has announced its intention to establish a Sino-Danish University, probably located in Beijing (OBHE, 2008). In the private sector, Kaplan has established a physical presence in China through the acquisition of shares in ACE Education (now Kaplan ACE), a company which delivers HE preparatory programmes (OBHE, 2007b). A variant on the theme of a campus without the status of a legal entity is Surrey University's creation of Surrey International Institute DUFE in partnership with Dongbei University of Finance and Economics. The Institute can award either University of Surrey or joint Surrey/DUFE degrees (OBHE, 2007a).

- GATS Mode 4: This entails the temporary movement of providers to the recipient's location to deliver an agreed service. This mode is most obviously manifested in the growing numbers of in-country programmes delivered by fly-in faculty. This model is used extensively by MBA providers in China, including Maastricht. Variants of this mode are programmes such as the Vlerick Beijing International MBA, offered at Peking University using a mix of fly-in and local faculty, and the Berlin University of the Arts Masters in Fine Art and Design offered in partnership with the Chinese Academy of the Arts in Hungzhou.

While these four modes give a neat and clear categorisation of different delivery options, it is becoming increasingly apparent that many organisations are combining different modes to offer novel approaches to delivery, including combinations of distance and face to face delivery, combinations of local and fly-in faculty and combinations of local and international study.

An alternative and somewhat broader classification of modes of internationalisation is provided by Knight (2006) who focuses on the component parts of higher education and the ways in which they might cross borders. This gives rise to a four-part classification based on the movement of:

- People — staff and student mobility, including exchange and study in international institutions (overlaps significantly with GATS mode 2).
- Programmes — a programme from an institution in one country is delivered in another country (overlaps significantly with GATS modes 1 and 4, although no stipulations are made with respect to the staff delivering, so this category could also include franchises).
- Providers — essentially, this involves the formal establishment of a physical presence (effectively equivalent to GATS mode 3).
- Services and Projects — this includes a diversity of forms of cooperation whether directly research-related or more obviously focused on pedagogy, curriculum development, quality assurance or management. There is no direct and obvious mapping to the GATS modes outlined above.

Although the dual trends towards greater internationalisation and greater privatisation in HE are separate, they are not unrelated. The growth of private higher

education and the growing demand for international education are both products of the overall expansion in demand for higher education and the drive to massification (Altbach, 2005). Where governments have felt a need to limit public spending on higher education (whether simply because of fiscal pressures or whether as a part of a more general acceptance that higher education is, at least to some degree, a private good rather than a pure public good), then both private and international higher education have provided the means of satisfying student demand. Moreover, it is the acceptance of a private element in higher education that has made possible many of the more innovative forms of international provision, whether in the form of campuses with independent legal status such as those which are observed in China, Malaysia and the Middle East/Gulf or the partnerships between established universities which, through full cost recovery models, effectively operate as private providers.

Over the past 20 years, China has become one of the most significant sources of outwardly mobile international students and researchers and one of the most important host countries (and an emerging source) for transnational provision of higher education. The twin desire to support cost effective expansion in higher education provision and to learn from the higher education systems of Western economies has also provided an important stimulus to the development of greater private provision. The reform and evolution of Chinese higher education are discussed in more detail in the next section with particular reference to internationalisation and privatisation.

Higher Education in China

Historically, both Western (capitalist) and Soviet (socialist) models of higher education have been influential in Chinese higher education. Reflecting the initial strength of political ties with the Soviet Union in the decade following 1949, higher education in China was heavily influenced by the Soviet model, which placed considerable emphasis on centralisation and standardisation. Accordingly, the provision and management of higher education were subject to tight central control and in the 1953–57 five-year plan ‘nationally unified teaching plans, syllabuses, materials and textbooks were introduced for every academic specialty or major’ (Pepper, 1990, p. 41). Generally, gross enrolment rates were low and, on graduation, students were allocated to jobs controlled by the State and in line with manpower planning requirements (Wu & Zheng, 2008). Although punctuated by moves towards more decentralisation during both the Great Leap Forward (1958–62) and the Cultural Revolution (1966–76), centralisation remained the dominant characteristic of higher education until the late 1970s (Xu, 2005).

Accompanying the process of economic reform begun in 1978, social policy began to move away from the centralisation associated with Mao’s leadership. In education, this manifested itself in greater decentralisation, greater involvement of non-party organisations and a mixed public-private model of delivery. In essence, the State began to move away from the financing and provision of higher education towards the role of ‘regulator, enabler and facilitator’ (Mok, 2005, p 236). Driven by the desire to modernise higher education, to build a strong science and technology base and to learn from the more advanced educational systems in the West, Chinese higher education underwent a major reform process which introduced a stronger market based element into its management and delivery (Cai,

2004). The reform process has been characterised by four key components, namely commercialisation, decentralisation, expansion and marketisation (Wu & Zheng, 2008). A key challenge throughout this process was the desire to learn from the West while maintaining something of the distinctive character of Chinese higher education.

The commercialisation of higher education introduced a co-funding model in which students (and/or parents) shared its cost with the State. Between 1949 and 1988, students in Chinese higher education paid no fees and received financial support for living expenses. Such a model was both costly and unlikely to sustain the rapid expansion in higher education that the Chinese government required to support continued economic development. According to Xu (2005), co-funding was introduced in a staged process which began in 1988 when universities were allowed to admit 'above plan' students who were responsible for their own tuition fees and employment. In 1992, approved institutions were allowed to admit up to 25% of the student body on a fee paying basis and, following a pilot scheme in 1993, the principle of 'user-pays' was legitimised in 1994, although with appropriate support arrangements for students from lower income families (Mok, 2000). By 1997, most Chinese universities had imposed tuition fees. In addition, higher education institutions were also given the opportunity to augment public funding with other sources of earned income (Mok, 2000). While the introduction of this co-funding model played an important role in supporting the rapid growth in student numbers, there continues to be concerns that tuition fees have had adverse impacts on students from less affluent families and particularly families from rural areas (Yao, Wu & Su, 2008), despite government attempts to limit fee growth.

A second strand in the reform of higher education was that of decentralisation. Traditionally, there were three groups of universities: those which were the responsibility of the Ministry of Education, those which were the responsibility of other central ministries and those which were the responsibility of provincial and city authorities (Li, 1996). As a result of the reform process, the control of around 90% of higher education institutions was transferred, based on location, to the relevant provincial and local authorities. Central control was retained by the Ministry of Education for the 107 key national universities, otherwise referred to as the '211' universities which were research oriented and were to be supported to become internationally competitive. As well as focusing investment in higher education in the areas where the impact was likely to be greatest, this approach also helped the government to control some of the costs associated with the expansion of the sector (Cai, 2004).

The third theme in the reform process was less about organisation and management of the educational systems and more focused on expansion. Demand for higher education in China increased rapidly as the economy developed, driven by both the demand from individuals and the economy's need for a skilled and educated workforce. New campuses of existing universities were established, smaller institutions were merged to create more comprehensive universities and enrolment expanded. Garret (2003a) suggests that as part of this process, some 612 universities were merged into 250 larger institutions. An explicit expansion plan for higher education was adopted by the Government in 1999 and, in 2006, over seven million new students joined Chinese universities compared to less than two million in 1999. By 2006, the total student population was in the region of 25

million (Wu & Zheng, 2008). Despite rapid economic growth, the expansion of higher education has given rise to concerns that graduate employment opportunities have not expanded to keep pace with the growing numbers of graduates (Li & Morgan, 2008). Indeed, in 2006, Feng and Gong (2006) suggested that as many as 30% of graduates may have been unable to find suitable employment.

In part this expansion in student numbers was delivered by increased government spending on higher education and by the introduction of co-funding but an equally important part of the process was the increased involvement of non state sectors in higher education. This constitutes the fourth strand in the reform process, namely marketisation and the development of private (non-state) institutions (usually described as *minban*). These *minban* institutions are typically of three types, Private Universities (which were often created by public universities using staff made redundant as a consequence of the mergers process), Private Colleges and other Private Institutes.

Private provision of higher education first received official sanction in the 1982 constitution, but the actual legal framework in which *minban* institutions were to operate was to remain ambiguous for another 30 years (Garret, 2003a). Despite this uncertainty, the private sector underwent significant expansion and is now estimated to account for close to 20% of students in higher education (Wu & Zheng, 2008).

Prior to 1980, there was no private provision of higher education in China; by 1999, it was estimated that there were some 1000 private higher education institutions, including 43 with degree awarding powers (UNESCO, 2003 in Li & Morgan, 2008). Official figures suggest that this had increased to 278 by 2006 (MoE, 2007). One of the challenges with respect to the rapid development of both private and public sectors has been quality and quality assurance (Feng & Gong, 2006). Particular concerns exist with respect to the quality and reputation of private higher education institutions which tend to be concentrated geographically in major cities and in the East. Unsurprisingly, the distribution of private higher education institutions tends to be correlated to the level of economic development, reflecting in part the availability of funds for investment and in part the availability of potential students.

Private institutions tend to have a strong focus on vocational education and typically have limited research agendas. Estimates suggest that around 80% of total revenue comes from tuition fees (Li & Morgan, 2008). Although the growth of the private sector has been important in supporting the overall expansion in higher education, there is increasing anxiety about the ability of the sector to deliver appropriate quality in the light of problems in attracting suitably qualified teachers and students (Lin, 2005). There are also enduring concerns about the fundamental nature and models of private provision and in particular the issue of returns and profitability and the need to strike a balance between creating the right incentive for providers while not exploiting prospective students (Cheng & Zheng, 2005; Yan & Levy, 2003).

Although none of the four dimensions of reform discussed above explicitly addresses the position of foreign universities, it is clear that the reform process envisaged that Chinese higher education needed to be able to learn from foreign (and particularly Western) systems and institutions. Partnerships between Chinese and foreign universities were actively welcomed by the authorities as a basis for the transfer of expertise in relation to both research and teaching. Collaboration in

course delivery provided real opportunities for Chinese institutions to improve their understanding of different pedagogies, quality assurance systems and curriculum development. Such collaborations were also expected to encourage a more international perspective within Chinese higher education (Huang, 2007) and were also consistent with China's entry in the WTO. In addition, such collaborations, by bringing in what were effectively private providers, could also contribute to the government's desire to expand higher education without putting additional strain on public finances.

While research collaborations presented relatively few policy challenges, the same could not be said for initiatives related to course delivery and degree awards. Teaching collaborations initially developed slowly, not least because of uncertainties surrounding their legal and regulatory position. In 1995, the State Commission of Education (subsequently Ministry of Education) issued a statement entitled 'Contemporary Regulation on Operation of Higher Education Institutions in Cooperation with Foreign Partners', which served to clarify the status of international collaborations and put in place mechanisms to ensure appropriate quality and standards. This was followed by a significant expansion in collaborative course provision. The precise scale of expansion is difficult to assess and Garret (2003b) records considerable uncertainty about the numbers of approved and non-approved programmes. Huang (2007) reports that in 1995 only two programmes existed that could lead to the award of qualifications from foreign universities. By 2004, Chinese institutions were reported to be offering over 700 programmes in collaboration with foreign partners. Feng and Gong (2006) quote a figure of 1300 for the number of programmes in operation and suggest that close to 400 are awaiting approval. Using data from James Cook University, Feng and Gong (2006) provide some insights into the characteristics of foreign providers operating in China. Table II suggests that the market is dominated by Australia, the US and Hong Kong, with European representation being on a much smaller scale. It is noticeable that the market is dominated by English-speaking countries in terms of both numbers of programmes and numbers of institutions.

TABLE II. Distribution of International Collaborations by Source Country

| Source Country | Number of Programmes | % of programmes | Number of HEIs | % of HEIs | Programmes/HEI |
|------------------|----------------------|-----------------|----------------|-----------|----------------|
| Australia | 48 | 29% | 23 | 23% | 2.1 |
| US | 44 | 27% | 34 | 34% | 1.3 |
| Hong Kong | 22 | 13% | 4 | 4% | 5.5 |
| Canada | 14 | 9% | 12 | 12% | 1.2 |
| France | 11 | 7% | 8 | 8% | 1.4 |
| UK | 9 | 5% | 8 | 8% | 1.1 |
| Ireland | 3 | 2% | 2 | 2% | 1.5 |
| Others | 13 | 8% | 10 | 10% | 1.3 |
| Total | 164 | 100% | 101 | 100% | 1.6 |

Source: Feng and Gong (2006)

Further analysis of the same data suggests that, as with private HE institutions, Sino-foreign partnerships tend to be dominantly in the larger cities in the more

economically developed East of China. The largest single type of programme is the masters degree, accounting for almost 70% of programmes and the most popular subject area is business and management, which accounts for over 60% of programmes. Figures for the numbers of students studying foreign programmes are also difficult to obtain, although estimates from the UK QAA suggest that in 2005–06 around 11,000 students were studying for a UK degree in China.

The opening up of Chinese higher education to foreign influence went a stage further in 2003 when new Chinese legislation passed in March of that year permitted the establishment of foreign university campuses in China in partnership with Chinese institutions. ‘Regulations of the People’s Republic of China on Chinese-foreign Co-operation in Running Schools’ came into effect on 1 September 2003. That Law signalled China’s desire to learn from leading international universities’ methods of teaching and learning and to facilitate engagement with researchers outside of China, over and above what could be achieved through existing forms of collaboration. The two best known responses to this opportunity were the establishment of the University of Nottingham Ningbo, China, in 2004 and the establishment of Xi’an Jiaotong Liverpool University in 2006.

Despite the apparent success of these ventures, concerns about the impact of Sino-foreign university campuses led to the announcement by the Government that it did not intend to allow further such developments until the operation of the Nottingham and Liverpool campuses had been fully evaluated. Concern was also evident from the international community, with commentators drawing attention to the challenges that faced foreign providers operating in China (Matross Helms, 2008). The British think tank Agora released a report in 2007 (Fazackerley & Worthington, 2007) which sounded a clear cautionary note. Contributors drew attention to a range of challenges including legal and regulatory difficulties, logistical and cultural challenges and the operational requirements of managing and integrating a remote campus in tandem with the home institution. The following section outlines the experiences of the University of Nottingham and the development of the University of Nottingham Ningbo, China, with a view to highlighting strategies that were used to operate successfully within a Chinese context.

The University of Nottingham Ningbo, China: a case study

Internationalisation at the University of Nottingham was driven by a number of factors; in terms of pull factors, there was a clear recognition of the rapidly increasing demand for higher education, greater government openness to international higher education, changing expectations of employers and the potential for significant brand/reputational effects. In terms of push factors, changing patterns of competition and changing patterns of demand suggested that a greater international presence would be increasingly important for the long term sustainability of the institution. Important enabling factors for the institution were explicit changes in government policy in both Malaysia and China which created the conditions for campus developments and a strong and entrepreneurial internal culture.

Since the late 1990s, The University of Nottingham has been actively involved with the higher education sector in China. This engagement initially focused on traditional forms of internationalisation, including the recruitment of students to degree programmes in the UK, student exchange and research collaborations.

Indeed, the University reportedly has some 60 research collaborations and is one of the largest recruiters of Chinese students in the UK. In 2001, the University appointed Professor Yang Fujia, former President of Fudan University, as its Chancellor.

In developing its engagement with China, the University had a number of overarching objectives, which were articulated by the Chancellor and Vice-Chancellor as follows and which guided the new campus initiative:

1. To bring together the best of UK and Chinese educational values and practices
2. To educate generations of students as truly international citizens, rooted in their own cultures but aware of, and sympathetic towards, other cultures.
3. To encourage international research, not by 'staying home' but by working in a host country and concentrating upon subjects that are mutually beneficial to Nottingham researchers and Chinese society.

The University's growing profile in China and its previous experience of opening a campus in Malaysia meant that it received a number of approaches to be involved in campus developments in China. Following a series of discussions and visits to a variety of locations in Eastern China, the University of Nottingham agreed to enter into a partnership with the Wanli Education Group (WEG) to develop a campus in the port city of Ningbo in the Zhejiang Province. Among its various educational activities, WEG operated and managed Zhejiang Wanli University (ZWU) located in the Ningbo Higher Educational Zone.

Discussions started in early 2003 and the agreement to establish a campus was signed between University of Nottingham and WEG in October 2003. Following further negotiations, a joint venture agreement (JVA) was signed in Shanghai in March 2004. Shortly after the signing of the JVA, the Ministry of Education gave official approval for the establishment of the University of Nottingham, Ningbo, China (UNNC). The UNNC was the first joint-venture university to obtain legal status as an independent campus in China. Although there were estimated to be over 700 foreign-affiliated colleges and universities in the country, all operated with cooperative curricula and none were, at that time, licensed to operate independently.

Although the planned purpose-built campus would take around 12 months to complete, both parties were anxious to move quickly to open the University. With special permission from the Zhejiang Provincial Authorities, UNNC was able to start recruiting undergraduate students for September 2004 using the structures of ZWU and operating from temporary premises within the boundaries of ZWU. Students, from Zhejiang province only, were recruited both through a direct entry route (special entrance examinations set by the University of Nottingham) and via the GaoKao. A total of 254 students joined the University in September 2004.

The ground breaking for a purpose-built campus in the Ningbo Higher Education zone took place in April 2004 and construction began immediately. A purpose-built campus with capacity for 4000 students was completed and operational for the second intake of students in September 2005. This campus occupied a site of approximately 144 acres and cost an estimated £20 million to construct. Following a 'soft' opening in September 2005, joined by the UK Prime Minister, Tony Blair, by video link, the campus was formally opened by the UK's Deputy

Prime Minister John Prescott and State Counsellor Madam Chen Zhili in February 2006.

UNNC was conceived as an English-medium university offering UK accredited degrees from the University of Nottingham. These degrees were to be equivalent in terms of quality and standards to those offered at the University of Nottingham's UK campus. Students would receive the same degree certificates as those awarded in the UK (and at the Malaysia campus) with all teaching taking place in English. Quality assurance is the responsibility of the University of Nottingham and the delivery and award of all degrees are subject to the provisions of the University's Senate and relevant UK legislation. The first Masters students graduated in 2006 and the first undergraduate degrees were awarded in 2008.

Differences in the higher education structures between the two countries present a number of challenges. The University of Nottingham Ningbo, China operates as both a Chinese university within its local context in which it is governed by Chinese legal and policy environments and an integral part of a UK campus awarding degrees according to the requirements of UK legislation. At the most fundamental level, the Chinese system involves 12 years of schooling followed by a four-year University degree, while the UK system operates with 13 years of schooling and a three-year University degree. To align these two systems, UNNC operates a four-year undergraduate degree which comprises a foundation year (year 0) which serves as a bridge between the Chinese and the UK school systems. This foundation year comprises a significant element of teaching focused on English for Academic Purposes (EAP), generic study skills, as well as some subject specific content. Following the completion of this 'year 0' Year 1 at UNNC, students progress to their year 2 which is the equivalent of the UK campus' year 1. To accommodate contextual differences between the two countries, courses and modules are required to be equivalent in terms of content and learning outcomes, but not necessarily identical. This ensures that the same core content is covered and the same learning outcomes are achieved but ensures that aspects of delivery can be tailored to context. Thus, for example, in the case of business and management teaching, this approach allows for case study material and illustrative examples to be tailored to local context.

The original plans for UNNC involved the offer of undergraduate degree programmes in four broad areas, namely business and management, computer science, international studies and international communications. Once established, these programmes were augmented by additional undergraduate degree programmes in English Studies, Architectural Environment Engineering, Civil Engineering, Mechanical Engineering and Environment Engineering. In 2005, UNNC was also given approval to offer Masters Programmes and the University currently has close to 300 Masters students. Longer terms plans for expansion include a greater diversity of undergraduate and Masters programmes with a particular focus on science and technology, a Ph.D. programme, and significant investment in research activity in areas in which the University of Nottingham has specific strengths and which are relevant to the economic and social development of China.

In an environment characterised by a high level of demand for higher education, student numbers have grown rapidly, as Table III shows, and, by 2008, the University was close to the initially specified target of 4000 students. Recruitment has extended to 23 provinces in China along with international students from some 30 countries worldwide.

TABLE III. Growth in total student numbers

| Academic Year | Total student numbers | UG | PG |
|---------------|-----------------------|------|-----|
| 2004–2005 | 254 | 254 | |
| 2005–2006 | 935 | 716 | 119 |
| 2006–2007 | 1851 | 1601 | 250 |
| 2007–2008 | 2773 | 2513 | 260 |
| 2008–2009 | 2666 | 3384 | 282 |

Although teaching provides the main source of operating income, research is seen as an integral component of the activity of UNNC and research funding is being received from a diversity of Chinese public and private sources. Already there are six functioning research centres at the University of Nottingham Ningbo, China, including the Institute for Comparative Cultural Studies, the Centre for Sustainable Energy Technology and the Centre for Global Finance and the Centre for Research in Applied Linguistics. In November 2008, the Leverhulme Centre for Globalisation and Economic Policy, which was initially established at the University's UK campus, opened a branch at the Ningbo Campus. A regular programme of international conferences and seminars provides an opportunity to bring together leading scholars from China and around the globe to address key challenges within and across disciplines.

In discussing country developments in China, Matross Helms (2008) highlights a number of challenges which faces Western institutions. The overarching challenge relates to the risk associated with a new venture and a similar point is made by Shattock (2007) who observes: 'There is no doubt that an overseas campus is an extremely high-risk experiment'. Alongside general business risks there are also more specific risks associated with the development and maintenance of a partnership relationship and the need to deal with cultural and linguistic differences. Staffing and management stretch have also been identified as key concerns (Matross Helms, 2008; Shattock, 2007).

The success to date of the Nottingham venture owes much to clear vision and careful management of the key risks. Strong leadership at senior levels within the University has ensured a clear vision for the development of UNNC and one which has been actively shared with key stakeholders in both China and the UK. Signalling a long term commitment to the campus was deemed to be essential to build trust with both government and local partners. Important signals included the willingness of the University of Nottingham to invest in UNNC through both IP and cash; the willingness to commit senior staff time and the high profile given to the development at the UK campus. WEG was also able to signal its long term commitment through investment in the construction of physical infra-structure for the University.

While financial sustainability was important for both partners, it was equally important that revenue generation was not seen to take precedence over educational quality and development. Accordingly, significant resources were devoted to ensuring that the support and facilities made available were comparable to those at the UK and Malaysia campuses. Student mobility between the campuses was actively encouraged, consistent with the concept of programme equivalence. In

practice, there has been a greater willingness on the part of Chinese students to take advantage of a period of study in the UK but the number of UK students electing to study for a period in China has been much smaller.

Although the delivery of educational programmes was and is currently the dominant component of UNNC's activity, the development of a significant research profile (and research-led teaching) was seen as central to the development of the campus. The University of Nottingham considered itself to be research-led and research intensive at the UK campus and sought to translate this vision to both Malaysia and China. Being research-oriented was important for UNNC in differentiating its programmes in the Chinese market and protecting and developing the reputation of the home University; equally, the commitment to research was seen as important in terms of aligning the goals of University staff with the overall goals of the institution. Inevitably, in the absence of public funding for research, this was a process which would take some time. The University's strategy was to explicitly signal the commitment to research in the staff recruitment process, to establish an overarching campus Research Committee, to provide seed corn funding for new research projects, to invest in research administration to support staff with grant applications and to encourage academic visitors and academic conferences.

To enable both The University of Nottingham and Wanli Education Group (WEG) to work effectively in partnership, considerable emphasis was placed on ensuring that each partner contributed in the areas in which it had specific strengths. Nottingham retained responsibility for all academic matters to ensure strict equivalence in relation to curriculum, pedagogy, quality and standards. WEG was able to draw on its expertise in relation to the education sector in China to provide the appropriate logistical and financial support for the campus.

The staffing and management of an international campus present particular challenges. Nottingham attached considerable importance to the secondment of experienced academic staff at all levels to drive forward the teaching and research agendas. With two international campuses, it was inevitable that this aspiration would prove challenging, particularly given some of the difficulties in the academic labour market in key academic areas. While the secondment process worked well in providing academic leadership, the staffing of the University was augmented by recruitment on the international market through a process which involved staff across the UK and the China campus. Although fluency in Chinese was not a formal requirement for academic staff, the vast majority of support staff are bilingual and provide invaluable support for academic staff in negotiating linguistic and cultural differences. Development opportunities for staff recruited through this mechanism were provided either on site in Ningbo or through periods of time spent at the UK campus. In addition (and consistent with other Sino-foreign providers), some limited use has also been made of both fly-in faculty and video conferencing in delivering specialist teaching.

While leadership from the home campus at the highest levels was essential, the management of core academic processes has followed an embedded model in which the University has sought to devolve and distribute responsibility to key units at the home campus. Accordingly, academic units at the international campuses are regarded as part of their home school. Thus, the University's Business School, School of Computer Science and Faculty of Engineering may be viewed as single academic units with bases across all three campuses. The Academic schools/faculties acting with devolved responsibility from the University Senate have

responsibility for the quality assurance processes associated with course delivery and are actively involved in staff recruitment. Regular communications and staff mobility in both directions are actively encouraged in order to build relationships between staff across the campuses and one School has even gone as far as providing its external examiners with the opportunity to visit UNNC. As with academic units, key central functions are actively engaged in the management and delivery of support services and again staff mobility is actively encouraged to build good working relationships and to enhance learning opportunities about University operations and management in both China and the UK. While this does not wholly mitigate the need to depend on the time and input of senior managers, it does ensure that risks of management overstretch are reduced by embedding the management of inter campus relationships across all key units within the University.

Conclusion

As part of the process of reform and opening up, China has dramatically reformed its HE sector. Joint ventures in other sectors of the economy have been used to enable Chinese businesses to learn about the skills and competences used by their developed economic partners. A similar approach has been evident in higher education, as policy measures have encouraged greater involvement from Western and developed country higher education providers. Initially, the process of learning from the West took the form of outward staff and student mobility; subsequently, as domestic reform progressed, the Chinese government became much more open to the presence of foreign providers and started to encourage Sino-foreign partnerships. These have grown rapidly over the last 15 years and in their most developed version have taken the form of new campuses, including the University of Nottingham Ningbo China and Xi'an Jiaotong Liverpool University. These developments have attracted considerable interest worldwide and from within Chinese higher education. The specific experiences of the University of Nottingham have highlighted the complexities of the process of campus development and the challenges and risks to be managed. While some commentators (Fazackerley & Worthington, 2007) have sounded cautionary notes, the University of Nottingham has almost reached its initial target of 4000 students by 2008 and has developed an active and expanding research programme. Key to its success to date have been a clearly signalled long term commitment, careful and reciprocal relationship building, strong leadership from senior management, investment in quality and the development of an embedded and distributed approach to managing the relationships between the home campus and the campuses in China and Malaysia.

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