

Chapter 5

Critical Reflections on the Challenges and Strategies Associated with Internationalising Hong Kong's Higher Education

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Abstract This article reports the findings of a research study that explored the emerging issues and challenges involved in attracting Asian students to pursue higher education in Hong Kong. The study found that internationalisation strategies at both the system and institutional levels attempted to address problems associated with exporting higher education and make studying in Hong Kong's higher education system more attractive. These strategies were mainly driven by brain gain and income generation. Based on the research findings, higher education services should be promoted overseas in a way that transcends profit motivations, enhances students' learning experiences and prepares students to be future leaders in a humanised environment.

Keywords Internationalisation • Higher education • Education hub • Globalisation • Promotion strategies • Educational services • World Trade Organization

5.1 Introduction

Given the rapidly globalised world of disintegrating country borders and supranational network of capital and knowledge, the pace of transnational education is increasing (Bauman, 2002; Shields, 2013). The internationalisation of higher education requires that higher education services be exported by recruiting overseas students. Singapore, Malaysia and Hong Kong are no exception to this global trend (Mok, 2008). They are internationalising their higher education campuses by recruiting more nonlocal students and striving to develop into regional education

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hubs. Due to the great demand for higher education among Asian countries, it is strategically important for Hong Kong to embark on its internationalisation process by recruiting students from the region. Hong Kong is well prepared to become a regional education hub in the wake of the emergence of Asia and particularly China and India as great powers in the twenty-first century (Cheung, 2009; Ng, 2012a). Although Hong Kong has comparative advantages over other Asian competitors, it must overcome several major hurdles before it can successfully export its higher education services (Ng & Tang, 2008; Ng, 2011). A research study was conducted to explore Hong Kong's development as an education hub, the emerging issues and challenges associated with internationalising Hong Kong's higher education and its far-reaching implications.

As a part of the larger study, this article presents the findings related to the incentives, challenges and strategies associated with internationalising Hong Kong's higher education. It analyses relevant policy documents and interviews with various stakeholder groups including government bodies, higher education institutions (HEIs) and students from select Asian countries who studied in Hong Kong. The issues and challenges identified in the study have implications that may help higher education stakeholders recommend strategies for internationalising Hong Kong's higher education at the system and institutional levels.

5.2 Background of the Study of Internationalising Hong Kong's Higher Education

Many believe that Hong Kong's higher education must be internationalised to prepare local institutions for the next wave of Hong Kong's economic growth. The *Report on Hong Kong Higher Education* published by the University Grants Committee (UGC) of Hong Kong in 2002 proposed that Hong Kong was capable of exporting its higher education services and eventually becoming a regional education hub. According to the Chief Executive of the Hong Kong Special Administrative Region (HKSAR) Mr Tung Kin Wah (2004), 'We are promoting Hong Kong as Asia's world city, on par with the role that New York plays in North America and London in Europe.' The UGC shared the view of the Chief Executive and Secretary for the Education and Manpower Bureau (EMB) that Hong Kong could be developed into a regional education hub in the higher education service sector (UGC, 2004). Due to Hong Kong's strong link to the Chinese mainland, its cosmopolitan outlook, its internationalised higher education and its geographical location, the UGC believed that Asia was a key presence on the world map of higher education and thus that internationally competitive centres of excellence could be established and reach critical mass in Hong Kong.

In the 2006–2007 policy agenda, the EMB (2006) elaborated on the new and ongoing education initiatives that a high-level inter-bureau steering committee chaired by the Chief Secretary for Administration had put forward to examine the

strategic issues related to the promotion of Hong Kong as a regional education hub. These initiatives included positioning and prioritising a policy that included immigration control, boarding facilities, financial assistance, promotion strategies and helping local institutions offer services outside Hong Kong. In the 2009–2010 policy address, the Chief Executive pledged to develop education services as one of the six key industries for economic growth (Tsang, 2009; Mok & Cheung, 2011). In the 2011–2012 policy address, the Chief Executive responded to the UGC's call for more hostels by authorising active collaboration with local institutions and projecting a HKD\$2 billion increase in funding (Tsang, 2011). It was thought that these initiatives would further enhance the attractiveness and competitiveness of Hong Kong's higher education services.

The internationalisation of higher education is strongly linked to the intention of exporting higher education services to other countries. The literature related to exporting Hong Kong's higher education services must be reviewed, as it provides a backdrop for examining the international development of Hong Kong.

5.3 Increasing the Demand for Higher Education Services in Asia

The last two decades have seen a significant growth in the mobility of higher education programmes and providers through physical and virtual modes of delivery. According to the Organisation for Economic Co-operation and Development (OECD) database, Asian students will dominate global demand for higher education in the coming decades. There were 2.7 million tertiary students studying outside their countries of origin in 2005, an increase of 5 % over the previous year (OECD, 2009). Bohm, Davis, Meares and Pearce (2002) found that the global demand for international higher education was set to grow considerably. Within Asia, China and India will represent the key growth drivers, generating over half of the global demand for international higher education by 2025 due to their blooming economies. This was evidenced by the international student enrolment figures provided by the Institute of International Education (2015). The number of international students studying in the USA increased by 72 % from 2000 to 2014. It grew by 8 % last year and reached a high record of 886,052 in 2013–2014. 50 % of these students hailed from the top three countries of China, India and South Korea (Table 5.1). International students contributed over USD\$27 billion to the US economy in 2013.

Commercial and financial interests have become the overriding concern when internationalising universities in different parts of the world (Knight, 2006; Tobenkin, 2014). In fact, transnational higher educational services have gradually aroused the attention of the General Agreement on Trade in Services (GATS), a treaty of the World Trade Organization (WTO) that entered into force in January 1995 as a result of the Uruguay Round negotiations. The treaty was created to

Table 5.1 Top places of origin of international students in the USA (Institute of International Education, 2015)

Countries	514,720 international students in 1999–2000 (%)	886,052 international students in 2013–2014 (%)
1. China	11	31
2. India	8	12
3. South Korea	8	8
4. Saudi Arabia	0–1	6
5. Taiwan	6	3
6. Japan	9	2
7. Vietnam	0	2

Table 5.2 Four modes of supply of education service (Ng, 2012b)

Modes	Criteria and examples	Supplier presence
Mode 1: Cross-border supply	Service delivered within the territory of the member, from the territory of another member (distance education, e-learning, virtual universities)	Service supplier not present within the territory of the member
Mode 2: Consumption abroad	Service delivered outside the territory of the member, in the territory of another member, to a service consumer of the member (students go to another country to study)	
Mode 3: Commercial presence	Service delivered within the territory of the member, through the commercial presence of the supplier (local branch or satellite campuses, twinning partnerships, franchising arrangement with local institutions)	Service supplier present within the territory of the member
Mode 4: Presence of a natural person	Service delivered within the territory of the member, with supplier present as a natural person (professors, teachers, researchers working abroad)	

extend the multilateral trading system to services in the same way the General Agreement on Tariffs and Trade provided a merchandise trading system (WTO, 2007a). Education is one of the 12 service sectors covered by the GATS and was included in the new service negotiations that began in January 2000 (WTO, 2007b). It covers four modes of supply for the delivery of educational services in cross-border trade (Table 5.2): cross-border supply, consumption abroad, commercial presence and presence of natural persons (Ng, 2012b).

The GATS framework regulates higher education as an industry and includes transnational education. HEIs in different regions around the world export higher education services in the name of internationalisation. In fact, the pace at which higher education has been internationalised has grown rapidly in recent years as a result of the rapid disintegration of country borders and the emergence of a supra-national network of capital and knowledge (Bauman, 2002). Internationalisation activities may include the international movement of students between countries;

international links between nation states provided by open learning programmes and new technologies; bilateral links between governments and HEIs in different countries for the purpose of research collaboration, curriculum development, student and staff exchange and other international activities; and export of education in which services are commercially offered in other countries, with students studying either in their home countries or in the countries of the providers (Egron-Polak & Hudson, 2014; Harman, 2005). Due to the great demand for higher education among Asian countries, it is strategically important for Hong Kong to embark on its internationalisation process by recruiting students from the region.

5.4 Higher Education Promotion Strategies

Major host countries are stepping up their marketing efforts to capture this rapidly growing market in the Asian region and ensure that an increasing number of overseas students come to their countries (Ng, 2011). The promotion strategy of an educational institution within the international market requires both sophistication and sensitivity. Managing the quality of higher education is of paramount importance. Ng and Tang (2008) reiterated an essential starting point for forming an international education marketing strategy. HEIs must focus on developing an image of quality curricula and a reputation for institutional quality in the Asian countries. Doing so can help an institute develop a good level of recognition and thereby lend it a comparative advantage in the market. Egron-Polak and Hudson (2014) also found the ability of institutions to recruit quality staff to be a critical success factor. Moreover, forming international strategic alliances helps to lower the cost of establishment (Mazzarol & Hosie, 1996). Giggs (1993) found that a twinning arrangement in which two institutions formed alliances and collaborated in degree provision could help to enhance an institute's quality and competitiveness in Asia. Possessing offshore teaching programmes and recruiting offices in the Asian countries may also help to facilitate enrolment and generate funds for the institutes (Nelson, 2002). For example, many foreign universities have established offshore programmes and campuses in Singapore since 2000 (Olds, 2007).

In addition, a competitive advantage can be achieved through the effective use of information technology and technical superiority (Mazzarol & Hosie, 1996). Learning mediated by technology can help to decrease education time compared with traditional teaching methods. Because telecommunications and information technology networks link offices and homes around the world, a greater use of open and distance learning via multimedia may help to export higher education overseas (Lundin, 1993). The effective use of government promotion agencies can also contribute to the export of higher education. The governments of Australia, Canada, the UK and the USA have made considerable investments in setting up and maintaining professionally run, well-resourced education information and promotion centres in Asian countries (Mazzarol, 1998). The literature has highlighted not only the importance of financial support from governments but also the financial performance of

tertiary institutions (Tobenkin, 2014). To manage quality, governments can help higher education providers obtain sufficient funding to undertake research programmes that meet international standards. Davis (1989) observed that relying heavily on private recruiting agents to promote higher education overseas involved a certain amount of risk given the various instances of unethical practice. Furthermore, the differences between overseas markets must be recognised when adopting different market entry strategies (Jiang & Carpenter, 2013). In fact, studies have found that possessing a strong alumni base and a large market share with student populations and campus size factored in providing a competitive advantage in marketing and promoting a country's higher education services (Choi et al., 2014).

Knight and de Wit (1995) and de Wit (2002) conceptualised two kinds of strategy in the higher education internationalisation process: programme and organisational strategies. Programme strategies refer to the academic activities and services of an HEI that integrate international considerations into the institution's main functions (Gopal, 2011). Organisational strategies refer to the initiatives that help to institutionalise the programme strategies. As such, equal attention should be given to both kinds of strategy. Mazzarol and Soutar (2001) cited six key factors to consider before exporting higher education services: foreign market language, market sophistication, regulations, experience and psychological distance, market outlook and competition. These strategies can be categorised into the following dimensions, as identified by Qiang (2003): governance, operations, support services, academic programmes, research and scholarly collaboration, extracurricular activities and external relations and services.

5.5 Method of Investigation

The current study was informed by the complexities of internationalisation, including its varied underpinning rationales, strategies, benefits and risks to HEIs and societies (Knight, 2006). Given that the Hong Kong government intended to develop Hong Kong into a regional education hub, the project team commenced its fieldwork study with the stakeholders involved in policymaking, advice and execution and the programme delivery of Hong Kong's higher education services. The study aimed to explore the incentives, issues and challenges associated with internationalising Hong Kong's higher education and the strategies recommended by higher education service providers for its promotion. The study was conducted conceptually within the naturalistic inquiry of the interpretive paradigm (Radnor, 2001). That is, it sought to understand the experiences of higher education stakeholders and examined the framework according to which these stakeholders constructed their own social realities (Lincoln & Guba, 1985), made sense of the world (Chapman & Pyvis, 2006) and generated meaning (Prescott & Hellsten, 2006).

The project team used purposive and snowball sampling methods. It conducted 21 individual in-depth interviews with representatives from departments of eight publicly funded and two non-publicly funded higher education institutions; three

with representatives of policy-related bodies including the Immigration Department of Hong Kong, Standing Committee on Internationalisation of the Heads of Universities Committee (HUCOM), the Education Bureau and the UGC; three with consulates general of India, Malaysia and Indonesia; thirty with nonlocal students enrolled in both undergraduate and postgraduate programmes; and three with alumni from the Asian region. Finally, seven focus group interviews were conducted with thirty nonlocal students, who volunteered from select Asian countries including India, Indonesia, Malaysia and a few others. These countries were potential target countries from which Hong Kong could recruit more students during its development as a regional education hub.

In addition, relevant documents related to higher education provision and regulations were collected from government officials in Hong Kong and from the websites of the policy-related bodies and higher education providers. These documents yielded insights into the current practices and situation of higher education provision and policies in Hong Kong and helped to triangulate the collected data. The documents were chosen because the project team believed they would provide sufficient information and maximum variations on analysis of the current situation and the expectations placed on Hong Kong's higher education services. Each sample was chosen 'to extend information already obtained, to obtain other information that contrasts with it, or to fill in gaps in the information obtained so far' (Lincoln & Guba, 1985, p. 201). After each interview, each nonlocal student was invited to introduce another student for a possible interview. Sampling was completed when the data obtained from previous respondents were replicated and repeated by additional interviewees.

The project team designed an interview schedule that included open-ended questions related to the issues, challenges, attractions and strategies associated with internationalising Hong Kong's higher education. Each interview lasted about 1 h, which allowed for the respondents to relax and converse naturally. The audio-recorded interviews were transcribed and analysed using both open and axial coding (Strauss & Corbin, 1998). Recurring themes and relevant information were grouped into categories.

5.6 Interpretive Analysis of the Findings

5.6.1 Factors Facilitating the Export of Hong Kong's Higher Education

Although Hong Kong declared its goal of becoming a regional education hub, some already-established attractions must facilitate the export of higher education services to overseas students from the selected Asian countries. For a detailed discussion of the various views of stakeholder groups about Hong Kong's attractions, see the full report of this study (Cheng et al., 2009). The following offers a gist of the

stakeholders' views and shows that there are two attractions. First, Hong Kong is an international financial city that provides social and cultural attractions and political stability. Furthermore, its geographic proximity to and business and cultural ties with the Chinese mainland are major attractions to overseas students. Second, stakeholder groups pointed out the attractions of Hong Kong's higher education services, including its high-quality English-medium teaching, international exposure, good support services and low tuition fees compared with those of Western countries. One student from Malaysia and India observed the following:

China is a big market. Hong Kong is a place where we can learn a lot about Chinese trade. That is why I come here to study. (Student Informant 9)

5.6.2 Challenges Associated with Internationalising Hong Kong's Higher Education

Hong Kong has taken steps to internationalise its higher education services and develop itself into an education hub. Nevertheless, as indicated by the attractions identified by the various stakeholder groups, an equal amount of inadequacies may impede the export of those services. These inadequacies are multifaceted and exist at the levels of policy formulation, coordination and implementation across sectors in Hong Kong and within the local higher education sector. The issues and challenges associated with the supply of cross-border education require Hong Kong to revisit different aspects of its internationalised tertiary education policy.

5.6.2.1 Diverse Views of Internationalisation

The successful development of Hong Kong into a regional education hub relies on a shared vision and concerted efforts expended by various sectors. Nevertheless, diverse stakeholder views may hinder the pace of internationalisation. For example, two policymaking stakeholders (i.e. senior officers at the Immigration Department and the EDB) indicated that the internationalisation of Hong Kong's higher education was tied to different areas such as education, immigration and public finance. The HUCOM representative suggested that the development of Hong Kong into an education hub could be examined in the context of the higher education internationalisation, a multifaceted issue that carried different policy aims such as making profits, attracting talent to Hong Kong and nurturing global citizenship in the globalised world. The HEIs in Hong Kong currently focus on the recruitment of nonlocal students who mainly come from the Chinese mainland. In fact, these institutions are lagging behind in internationalising their campuses. Therefore, they must explore the development of common overseas markets, as indicated by the following comment:

It seems to me that HUCOM has had an agenda to internationalise higher education. However, in reality, the HEIs have recruited students mainly from the Chinese mainland. It is actually not internationalization but nationalisation. (HEI Informant 3)

There is also a diversity of views held within the local higher education sector. One purports that HEIs must work together to promote Hong Kong's higher education to overseas markets and compete against one another over the recruitment of overseas students. One HEI representative doubted that the academic staff members at various levels within the organisational environment of an HEI had a shared vision of bringing overseas students into their institution.

5.6.2.2 Lack of Visibility of Hong Kong's Higher Education Services

The visibility of a country's higher education is considered a key promotion strategy (Mazzarol & Hosie, 1996). However, as many of the student respondents expressed, Hong Kong's higher education is not widely known to overseas markets. This is especially true when it is compared with the reputations of the higher educations of Australia, the UK, the USA and Singapore in the Asian markets. The following comment is typical of the views of students from India and Indonesia:

It is hard for me to locate information about Hong Kong's higher education in the city where I live. I usually obtain information about higher education in Singapore at the education expos, but I seldom find a stall for Hong Kong. (Student Informant 22)

Mazzarol (1998) argued that the government could play a role in promoting higher education. However, two HEI stakeholders found the government-led promotion for Hong Kong's higher education services to overseas markets to be inadequate. As a result, such promotion work is left to individual HEIs and the assistance of the Hong Kong Trade Development Council. One HEI representative expressed the following:

I don't know how much the government has led the HEI to promote our services overseas. We usually have to do our own promotion. (HEI Informant 9)

Overseas markets vary. Some HEI stakeholders expressed concerns about their lack of connections with and understanding of the different aspects of specific Asian countries, including information about the recognition of qualifications granted by HEIs in Hong Kong. Some also expressed concerns about the inadequate resources for individual HEIs to promote their programmes to the Asian region.

5.6.2.3 Inadequate Policy Infrastructure for Supporting the Recruitment of Nonlocal Students

The HEI stakeholders commonly expressed the dilemma that the annual nonlocal student admission quota was decreasing the pace of internationalisation. The Chief Executive announced an increase in the quota for publicly funded programmes from

10 to 20 % in 2008–2009 (Tsang, 2007). Although the targets for additional student numbers fall outside UGC-funded locations, an increase in the nonlocal student admission quota may elevate the admission standards for highly competitive programmes that are attractive to both local and nonlocal students. Whether this elevation would make it more difficult for local students to gain admission into these highly competitive programmes is worth addressing. One HEI representative expressed the following:

Nonlocal students concentrate on taking the subjects of Engineering and Business Studies. I think it may lessen local students' chances of being admitted into these programmes. The UGC needs to address this foreseeable problem. Determining how to balance the interests of both local and nonlocal students is an urgent task here in Hong Kong. (HEI Informant 6)

Land scarcity and shortage of accommodations for nonlocal students present additional challenges to the expansion of higher education in Hong Kong, especially for research postgraduate students living in Hong Kong with their spouses or family members. However, many of the HEI stakeholders and student groups interviewed observed a lack of scholarships and financial subsidies for overseas students' tuition fees. Financial support such as scholarships is important when facing the high cost of living in Hong Kong. Specific groups of students such as those from less favourable backgrounds in the selected Asian countries and those with families are in need of financial support.

Knight (2002) argued that immigration requirements posed barriers to internationalisation. Many of the respondents expressed concerns about immigration issues, such as students taking on part-time work, applying for work visas after graduation and dealing with visa issuance restrictions. It is encouraging that the Chief Executive's policy address included a number of measures to deal with some of these issues.

5.6.2.4 Concerns Within the Local Higher Education Sector

The academic structure of a country is a concern for overseas students because it may result in a mismatch of academic expectations (Ng & Tang, 2008; Ryan & Hellmundt, 2003). The majority of the respondents including an informant from the Consulate General of India and some HEI stakeholders and nonlocal students believed that launching the British approach of a 4-year (rather than 3-year) university education in Hong Kong could make higher education more costly and less attractive to students from some Asian countries such as India and Malaysia:

The students from Malaysia, India and Singapore, for example, will have to pay tuition fees for an extra year. They would most likely shift to Australia instead of Hong Kong. Individual HEIs and the government need to formulate flexible admission policies for those students studying under the British education system. (Consulate Informant 1)

Although possession of international strategic alliances and partners can be advantageous in promoting higher education overseas, a few of the stakeholders admitted that they encountered difficulties in working with other overseas universities to offer

joint programmes. HEI stakeholders argued that a lack of flexibility in transferring credits from overseas institutions could hamper the internationalisation of certain programmes. Hsiao (2003) and Knight (2002) reiterated that recognising the credentials of other countries could be a salient impediment to exporting higher education services. Some of the HEI stakeholders opined that self-financed programmes were in need of funding to support the recruitment of nonlocal students.

In addition to noting the lack of foundation year programmes to support overseas students, some students described the inadequacies of the English-medium teaching and learning environment in Hong Kong. They found the choice of modules delivered in English to be limited and experienced difficulties in the Cantonese-speaking practicum environment in a professional preparation programme. Some even reported experiencing difficulties with lecturers' spoken English and overuse of Chinese in class. As such, the HEIs in Hong Kong should pay attention to the language policies in their curricula. For example, some of the Indonesian students found it difficult to engage with English as a medium of instruction at the beginning of their studies. The language issues indicated here are consistent with the findings of studies conducted by Mazzarol and Soutar (2001) and Jowi (2012). One Indonesian student expressed the following:

Sometimes I have to pay very careful attention to a tutor's spoken English. I do not understand what he says sometimes. He speaks with a strong accent and frankly speaking he is not fluent in English either. (Student Informant 25)

5.6.2.5 Social and Cultural Concerns

Consistent with Choi (2008) and Ng's (2011) finding that adapting to the local culture was a major source of frustration for overseas students, students reported experiencing several problems adjusting to life in Hong Kong, such as overcrowding, air pollution, homesickness and difficulties adjusting their diets. One student found the study mode in Hong Kong to differ drastically from that of her place of origin:

I need to participate in a group to complete my project. I need to cooperate with others to design a way to present in the classroom. My work is no longer assessed via examinations. It is completely different from what I am used to. In the beginning, I felt very frustrated getting used to the learning life here. (Student Informant 19)

Many of the student respondents expressed that they had met nice people, including their fellow local students. However, a few indicated experiencing problems with social integration and limited interaction between local and nonlocal students. The nonlocal students had several perceptions of their interactions with local students. They observed that the local students did not express a great interest in interacting with them and that they competed with local students after graduation. They also perceived that Hong Kong was not safe for Muslims and that the local students had different lifestyles and study habits; were materialistic, luxurious, immature and short-sighted; tended to blame others; and lacked self-reflection. In the worst scenario, students from Africa and the Chinese mainland felt discriminated against.

5.6.3 *Strategies Recommended for Internationalising Higher Education*

International education is becoming a global, market-oriented and private industry. Yonezawa (2007) argued that it should be managed and supported by clear strategies and policies at both the system and institutional levels. However, the real internationalisation process usually occurs at the institutional level (Knight, 2004). Economic interests have become the overriding concerns in the higher education internationalisation process (Knight, 2006). After acknowledging the inadequacies that lie therein, the stakeholder groups recommended many strategies for exporting Hong Kong's higher education services to select Asian countries. These strategies are conceptualised at both the system level, where the government's leading and coordinating roles should be strengthened, and the institutional level, where the programme, marketing and organisational strategies undertaken by HEIs to promote their higher education services overseas are discussed.

5.6.3.1 **System Level: The Role of the Hong Kong Special Administrative Region Government**

Many of the HEI respondents recommended that the government take an active and leading role in promoting the internationalisation of Hong Kong's higher education. The EDB must clarify its aim to develop Hong Kong into an education hub because the objectives involved in promoting internationalisation and making a profit from exporting education entail different strategies. The HUCOM representative expressed the following:

Internationalization means that the following area needs to be internationalised: academic structure, collaborative programmes, curriculum support services, exchange students, format of activities on campus, etc. The government needs to specifically clarify the aim of becoming an education hub so that HEIs know which directions they are taking. (HUCOM Informant)

Some of the respondents expressed a need to increase the quota of first-year undergraduate degree places held by local and nonlocal students. In fact, Hong Kong is falling behind Singapore's higher education development. Singaporean Prime Minister Lee Hsien Loong observed that the rate of first-year degree places for local students was 25 % in 2007 (Ministry of Education and Singapore, 2008) and that the rate for Hong Kong students had been 18 % for 10 years. To develop into an education hub, Singapore attracted 150,000 international students in 2012 (Doorbar and Bateman, 2008). Although the Chief Executive announced an increase in the nonlocal student quota for publicly funded programmes (from 10 to 20 % in 2008–2009), the increase lagged far behind Singapore.

According to the stakeholder groups, establishing public sector infrastructure is the best strategy for promoting the internationalisation of Hong Kong's higher education. They expected the government to set up an organisation such as the British

Council and establish offshore offices in the selected Asian countries where the Hong Kong universities could set up inquiry desks and promote higher education. To attract students and academics from other parts of the world, the HEI stakeholders also expected the government to provide more scholarships for international students and to take the lead on driving marketing strategies in different directions, including promoting the image of Hong Kong as a world-class financial city and a regional education hub with the best infrastructure for international students in Asia. Most importantly, they believed that qualification recognition between Hong Kong and select Asian countries must be sought at the government level. The Hong Kong government must initiate communication and cooperation with the governments in these Asian countries to attract students and academics from other parts of the world.

We always negotiate alone with individual institutions over matters such as credit transfers, qualification recognition, collaborative programmes, etc. In fact, we find it difficult to initiate contact at the government level. What can we do when the government takes no initiative? (HEI Informant 13)

As discussed in a later section, the Hong Kong government recently introduced measures to address some of these concerns. Given the scarcity of land in Hong Kong, the HEI stakeholders suggested that the government build a university dormitory city for all of the university students in Hong Kong. This would not only solve the hostel shortage problem but also facilitate cultural exchanges between local and nonlocal students. Furthermore, the resources required by individual HEIs to promote their education in Asian countries seem to be insufficient. One HEI representative made the following comment:

The government should provide more incentives and resources to encourage academic departments and their staffs to develop suitable programmes to attract overseas students. The universities should be given enough support and campus facilities for the international students. (HEI Informant 2)

The respondents were apparently dissatisfied with the infrastructure currently used to internationalise Hong Kong's higher education. To strengthen promotion overseas, many observed that the government should provide a platform for the local institutions to synergise and better coordinate their internationalisation efforts. They also said that the Hong Kong Trade Development Council should be empowered to use its worldwide offices, networks and connections to better promote Hong Kong education.

5.6.3.2 Institutional Level: Strategies to be Strengthened by HEIs

Curriculum and programme design flexibility is of paramount importance to attracting more overseas students (Ng & Tang, 2008; Ng, 2012a, 2012b; Vajargah & Khoshnoodifar, 2013). The HEI stakeholders recommended that more varied and customised academic programmes be developed. Their suggestions included developing business programmes accompanied by Chinese study, dual degree

programmes offered by two universities, student exchange programmes, university faculty exchange programmes and programmes including Putonghua learning (i.e. standard Chinese) components, part-time programmes targeting the Southeast Asia market, collaborations with companies to offer student internship opportunities and foundation courses to help bridge Secondary 5 graduates (i.e. students completing a 5-year secondary education under the British education system) with undergraduate studies. Some observed that the best strategy for promoting Hong Kong as an education hub would be to continually enhance the academic excellence and visibility of the higher education sector, given that students and academics from other parts of the world were attracted to internationally competitive institutions.

All of the inbound students from the Asian countries stressed that attractive scholarships and financial assistance were vital to their decision to study in Hong Kong. One research postgraduate student from Malaysia observed the following:

I cannot afford to study in Hong Kong without a scholarship because the living cost is relatively high here. I would suggest that the Hong Kong banks join up with the universities and provide loans to nonlocal students. (Student Informant 21)

The differences between overseas markets must be acknowledged when adopting different market entry strategies. The eight UGC-funded HEIs must pull their resources together to engage in joint promotional activities such as mini-expos, massive exhibitions, talks in schools and television and Internet advertising. One HEI representative observed the following:

We go to the overseas expos individually. There is no connection between Hong Kong's HEIs in the exhibition. It seems that we are competing with each other at the overseas expos. (HEI Informant 8)

The HEIs should also have clear targets for promotion. For example, potential overseas students in Indonesia may include Indonesian Chinese in Medan and Subiyar; the children of government officials; students in Christian, Catholic and international schools; and students in Christian universities. In India, potential markets may include New Delhi, Mumbai, Bangalore, Chennai, Hyderabad, Kolkata and Ahmedabad. In Malaysia, Sabah, Penang and Johor should be explored. One Malaysian Chinese student observed the following:

There would be keen competition with the Chinese mainland and Taiwan if Hong Kong HEIs targeted Kuala Lumpur. (Student Informant 25)

In addition, students from Malaysia recommended that educationalist group Dong Jia Zong be enlisted, as it had connections with independent high schools and universities in the Chinese communities. It would also be helpful to build networks with schools in the target cities and to seek the help of nonlocal students in disseminating information about Hong Kong's higher education in their home countries.

In terms of organisational strategies, some of the HEI stakeholders suggested that the university should provide support services to facilitate nonlocal students' cultural adjustment and social integration. In addition, support services for placement, career path planning and student visa applications were considered useful in attracting students to Hong Kong.

5.7 Discussion and Conclusion

Internationalisation is a complex and dynamic process embedded with strategies, benefits and risks to HEIs and the nation as a whole (Knight, 2006, Jiang & Carpenter, 2013). It is also a response to the globalisation resulting from international social interactions (Mok, 2007; Ng, 2012b). Similar to Singapore and Malaysia, Hong Kong has begun internationalising its higher education and made attempts to position itself as a regional education hub. The in-depth and focus group interviews revealed that Hong Kong possessed a number of attractive qualities that helped facilitate the export of its higher education services such as its proximity to China, its status as a financial and world-class city, the recognised quality of its higher education services and its low tuition fees compared with those of Western countries.

Despite these attractive qualities, Hong Kong faces many challenges in its development into a regional education hub. It has an inadequate policy infrastructure, a lack of land for hostel accommodation, limited admission quotas for first-year degree places, scholarship and research funding inadequacies and visa issuance restrictions. The Chief Executive responded to HEI stakeholders' continual requests by increasing the nonlocal student admission quota, relaxing immigration restrictions, providing more scholarships and hostel places and establishing a research endowment fund to address these problems. However, attention should be drawn to other challenges such as the need to clarify and achieve consensus on the aims of internationalising Hong Kong's higher education, the structural and programme-related issues involved in recruiting nonlocal students into HEIs and improving the sociocultural adjustment of nonlocal students in Hong Kong.

The various stakeholder groups interviewed recommended adopting programme, marketing and organisational strategies at the system and institutional levels to address these challenges. These strategies are highly relevant in addressing the challenges related to attracting nonlocal students to study in Hong Kong. In the globally competitive market of higher education services, such strategies seem to align with the motives of brain gain and income generation. These economy-driven motives are prevalent in a globalised world in which commercial and financial interests have become the overriding concerns in the internationalisation processes of universities worldwide (Knight, 2006; Egron-Polak & Hudson, 2014). Most of the strategies recommended by the stakeholder groups fall into this economic orientation of the internationalisation process, echoing Fok's (2007) view that the nature of competitiveness is particularly highlighted in the internationalisation of Hong Kong's higher education.

Although many seem to take this economically driven orientation for granted, the findings of the study emphasised the importance of clarifying the aims of internationalising Hong Kong's higher education during its development into a regional education hub. Knight (2006) observed that internationalising higher education prepares future leaders and citizens to address global issues and challenges such as shaping sustainable development, international solidarity and global peace in a

highly interdependent globalised world. These challenges extend beyond recruiting overseas students to enhance a country's competitiveness in the global economic arena (Ng, 2012a). Internationalisation must be applied in a more humanised way to counteract the effects of an overriding economy-driven globalisation.

HEIs require two aspects of internationalisation as counteractive measures. First, as many scholars (e.g. Knight, 2004; Ng & Tang, 2008; Gopal, 2011) have advocated, the integration of an international, intercultural or global dimension into the purposes and functions of higher education, i.e. teaching, research and service, is vital to the generation of knowledge and the preparation of future leaders and citizens to address global challenges. Second, a whole-campus approach must be in place to promote multicultural awareness and provide social support to nonlocal students. Academic and administrative staff, support service providers and local students on campus must nurture the multicultural perspective (Croese, 2011). Cohort dynamics must be considered in tutorial group arrangements and hostel assignments to promote cultural mixing and build students' intercultural awareness, knowledge and competence (Croese, 2011). Moreover, the religious backgrounds of the students in select Asian countries must be attended to. The student affairs units in the HEIs can play an active role in recruiting families for homestay arrangements during holidays to ease students' homesickness and facilitate their stays in Hong Kong. More interculturally sensitive activities for local and nonlocal students could also be organised.

Hong Kong is on the verge of developing into a regional education hub, and various stakeholder groups have recommended and worked on strategies to contribute to this development. Discussions and debates about the aims of internationalising higher education and the associated strategies at different levels should contribute to enhancing local and nonlocal students' learning experiences and education quality out of the ideal of human flourishing rather than mere economic interest.

Note This chapter was mainly adapted from the authors' previously published article, Ng and Tang (2008), with updating the data, key references and information regarding recent development of Hong Kong's higher education.

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