Bricks and Clicks: Integrating Digital and Physical Modes of Transnational Higher Education

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Notable scholars of international business have recently emphasised the need for internationalising firms to coordinate and optimise configurations of activities across many foreign markets (Dunning & Lundan, 2008).

As a parallel to these developments, scholars of higher education have suggested that universities are moving towards, deeper, integrative and more comprehensive forms of internationalisation.

Firm internationalisation culminates in the formation of a Multinational Enterprise, higher education internationalisation processes are generally seen within several common yet distinct interpretations of internationalisation.
MNEs - Many Strategies
Internationalizing Education – Many Modes
Service firms may establish a commercial presence in a foreign country through ownership or lease of premises.

Cross-border flows of services between countries when information services are embodied in electronic media or delivered over the Internet.

Consumers travel to another country to obtain a service.

The supplier travelling to a foreign country to deliver a service.

Service delivery abroad

Premises ownership or leasing (OFFSHORE CAMPUS/LG CTR)

Virtual export channels & ‘cyber-services’ (ONLINE LEARNING)

Consumption abroad

Modes of Service Exports under General Agreement on Trade in Services (GATS) Definition

(WTO, 2014)
(1) International mobility of students and teachers or international partnerships

(2) Transnational delivery through campuses or franchises in virtual or physical delivery

(3) Global dimensions in Content (curriculum and teaching)

4 Interpretations of internationalisation for universities and other institutions of higher education

HYBRID LEARNING (Tayar & Jack, 2013)

(4) Digital Export (Online Learning)
Combining Digital and Physical

- Purely ‘bricks and mortar’ education may miss opportunities for novel forms of pedagogy involving networked group work and forfeit efficiencies of economies of scale and scope.
- In purely online modes, certain curricula may not suit e-Learning modes, ‘learner isolation’ problem and partially online degrees may be less acceptable to employers.
- Benefits for combining modes = **HYBRID**
• Blended learning across borders can take advantage of the best elements of online and physical modes to meet student needs that a single mode cannot achieve alone.

• As technology improves, online education can more closely replicate face-to-face modes (Tayar, 2013)
In USM...Malaysia

• The School of Distance Education (SDE) Universiti Sains Malaysia was established in 1971 to provide opportunities for working adults to obtain higher education.

• To lead, innovative and improve excellence in various fields and across disciplines through distance education approach and the conventional approach ....the pioneer programme in Malaysia which offers degree through distance education.
In USM...India
In Australia, Examples From Private Providers

The University of New England (UNE) in Australia

- Recently opened its ‘Future Campus’ in the outer suburbs of Sydney.
- Reflects a true online/offline hybrid, aims for the campus to “facilitate local small group collaboration, access to telecommuting technology enabling participation in lectures, tutoring or course advice, course administration such as assignment submission and other student administrative services.”

Laureate International Universities

- Setting up learning centres because they will support our online programs but also our hybrid programs.
- This creation of a completely new university based on an online and physical hybrid is unlike much more common transnational arrangements which tend to involve franchised or licensed or ‘sub-brands’.
Innovation Is The Driver

Foreign operation
Methods
How?

Purpose of the university

Markets
Where?

University/Organizational capability

Innovative Teaching Materials/Products

Home grown R&D on Technology, Multimedia/System

Talented staff/support system

(Cavusgil & Knight, 2013)
Innovative University & Internationalization Using Hybrid

Figure 4.2 Dynamic capabilities in international expansion: An integrated model.
(Adapted from Luo (2000))

(Luo, 2000; Shankar, 2014)
Conclusion

- Universities are increasingly looking to pursue more ‘holistic’ and ‘comprehensive’ forms of internationalisation in terms of widening objectives and make greater contributions to key stakeholders.
- Universities should experiment with hybrid models which achieve financial sustainability but also highly positive learning outcomes for students and communities in their branches’ host countries.
Call for chapter for book

- **Book Title:** Global Strategies For Higher Learning Institutions
- **Publisher:** USM Press
- **Editor:** Shankar Chelliah
- **Co-Editor:**
- **Due Date:** 30\textsuperscript{th} July 2015 for Full Paper
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Appendices
Stage Model
Capability Possession

- Firm’s distinctive resources – critical assets, knowledge, or capabilities that are firm specific, difficult to imitate, and can generate economic returns and a competitive advantage. i.e. Coca-Cola syrups and concentrates, Microsoft Windows, etc.
- Operational attributes – Body Shop’s franchising skills with international retail operations, Merrill Lynch’s relationships with local financial institutions in Japan, Kodak’s extensive networking with Chinese government etc.
Capability Deployment

• The manner the competitive advantages are deployed

• It must be applied through an appropriate configuration with external and internal dynamics in a competitive environment

• One way is internalization – wholly owned or JV.

• In the case of Mittal Steel, management know is transferred through merger, JV or acquisition
Capability Transfer

- Capability can be transferred across the border
- For example, McDonald's ability to rapidly transfer the capacity to operate its entire complex business system to foreign entrepreneurs, Toyota JIT in all its global subunits
Capability Upgrading

• Transfer of knowledge does not deter creating new knowledge in host country
• Building, diffusing and transferring learning capabilities are vital for international ventures
• Usually upgrade occur when responding to the complexity, diversity, and dynamism of the environment in the host country
• In the case of Walmart China, fish tank replacing frozen fish is an example of an upgrade
What do the following companies have in common?
END