A DECADE AFTER the idea of establishing branch university campuses in other countries began to gain wide popularity, the experiences of institutions that have tried it, mostly in Asia and the Persian Gulf region, are producing valuable lessons. As many have found, creating and operating foreign branch campuses often presents unforeseen challenges, given ever-shifting global political and economic conditions, which is causing some universities to change their strategies.

“Being a pioneer is exciting but also challenging,” says Professor Nick Miles, provost and CEO of The University of Nottingham Ningbo China (UNNC), which The University of Nottingham in England opened to students in 2005. It was the first foreign university to establish an independent campus in China under legislation China passed two years earlier, and China has increasingly drawn attention from other universities as well. Nottingham also has a branch campus in Malaysia.

“We are unique. That’s where the challenge lies. There are no ready-made answers. We are very much at the forefront” of higher education developments in China, Miles says. “There are cultural differences, as you would expect anywhere, but that’s great. We relish the cultural differences,” he declares, adding that there also are “many rules and regulations here” and “we have to keep pushing forward in a positive way.”

From 250 students initially, UNNC’s enrollment has grown to nearly 5,000, largely on word-of-mouth, Miles reports, and a record number of students have applied this year. China’s top leaders have been actively promoting higher education to their citizens and see Sino-foreign universities like UNNC as an essential part of the new education system they are implementing, Miles says. A recent surprise visit to UNNC by Premier Wen Jiabao, with the state media in tow, was a “strong signal to the rest of China for what we are doing here,” Miles says.

“Forcing ahead with a new educational model to a large extent involves diplomacy, which in turn involves finding solutions together with the authorities rather than reverting to a default position, which is to stop just because there are no rules to cater for whatever is required,” Miles says.
Cultivating Branch Campuses

BY ALAN DESSOFF
Prudent Pruning Needed for Some Branches

For Michigan State University, which opened a campus in 2008 in Dubai, in the United Arab Emirates (UAE), a decision to close it two years later seemed prudent. MSU shut down the campus in 2010—“decommissioned” it, as Jeffrey M. Riedinger, dean of international studies and programs, puts it—because of global economic problems it did not see coming and enrollment that did not grow as rapidly as expected, causing a loss of millions of dollars.

MSU had looked for a decade at various opportunities in the Gulf region, “where we knew we needed a more robust presence,” and Dubai seemed “particularly attractive in terms of its rapid rise as a global logistical and finance, IT, and media hub. That meant locating there would provide opportunities for internships and things like that for our students that were quite appealing,” Riedinger says.

“And all of this was occurring,” he continues, “at a time when the global economy and the Dubai economy were booming. There was no real way for us to forecast that two months after we opened, they both would collapse,” causing enrollment to drop and straining the campus’s financial support.

Riedinger cites other lessons learned from the experience. For one, “we probably overestimated the market appeal of the MSU brand, given that unlike many of the other foreign universities in Dubai, we insisted on having exactly the same admissions standards that we have in East Lansing. We were, in effect, competing with ourselves. At any given moment, I had more students from just about every country in the region here in East Lansing than we succeeded in recruiting to the Dubai campus,” Riedinger says.

Also in hindsight, “we realized we needed a more robust economic model for the campus for the first couple of years. We better understood that many of the foreign universities in the region had struggled for the first four years until they got a graduating class. Then that was a powerful signal to parents and would-be students alike. We had assumed a more linear growth pattern, and we probably should have operated on a business plan reconciling ourselves to relatively low enrollment until we graduated the first class, and then there would be a significant step-up.”

When MSU wound down the Dubai campus, he adds, some students transferred to other higher education institutions in the country, which provided “great help” in waiving application deadlines, Riedinger says. But most of its students relocated from the Dubai campus to East Lansing without problems because they had been admitted to MSU in the first place, not MSU Dubai. That was “one of the remarkable and gratifying things about the experience,” he says.
Michigan State University had looked for a decade at various opportunities in the Gulf region, “where we knew we needed a more robust presence,” and Dubai seemed “particularly attractive in terms of its rapid rise as a global logistical and finance, IT, and media hub. That meant locating there would provide opportunities for internships and things like that for our students that were quite appealing.”

“We did a lot of research. In hindsight, given some of the challenges we faced, we can spend a lot of time second-guessing ourselves about what more we could, should have done. But I don’t think any amount of research on our part was going to forecast the global economic problems,” Riedinger declares.

MSU has no other foreign branch campuses and no current plans to establish any, Riedinger says. He says MSU already has strong relationships with “partner” universities in several countries. “So in the vast majority of the world, we wouldn’t even entertain the conversation about setting up a branch campus,” Riedinger says.

But MSU didn’t have that kind of longstanding partnership in the Gulf region and “saw an opportunity to provide American-style education in the region that wouldn’t otherwise be available,” Riedinger says.

Accordingly, he says, a “chief takeaway” from the Dubai experience has been to “stick by-and-large to what has worked spectacularly well for us for more than five decades, which is to build strong, robust partnerships with strategic, selected countries and institutions in those countries, and use those partnerships as the vehicle for advancing our international research, education, and engagement missions.”

Although its branch campus was not a success, Riedinger makes clear that MSU is still “very much in Dubai” with graduate programs as well as a “robustly staffed” office to host MSU students on study abroad visits. “We’re just not there with the big, highly visible undergraduate programming that everybody focused on,” he says.

Some New Branch Campuses Going Strong

Meanwhile, another university’s branch campus in the UAE—New York University Abu Dhabi (NYUAD)—reportedly is functioning well in its second year. The product of “a remarkable convergence of vision between Abu Dhabi’s desire to build a great university at home and NYU’s desire to extend its global reach and impact,” the campus, totally funded by NYU’s Abu Dhabi partners, has drawn students for its first two classes from some 70 countries, says NYUAD Vice Chancellor Alfred Bloom. In terms of traditional admission parameters, “they equal or excel those of students at the most highly selective universities in the U.S. and abroad,” Bloom says.

“We do face occasional challenges,” he acknowledges, particularly in “finding paths across differences in cultural expectations,” as well as “maintaining consistent policies and practices across NYU’s global network” and “operating across what have turned out to be surprisingly burdensome differences in time zones and work weeks.” But overall, “I believe we have met or exceeded virtually all” of the “extremely high measures of success” that NYU set during the planning phases for the campus, he asserts.

NYU is developing another branch campus, in Shanghai, where it expects to welcome its first freshman class in the fall of 2013, according to NYU President John Sexton. Half the students will be from China and the others will be recruited from around the world, as at NYUAD and NYU in New York, he says. Similarly, faculty will be recruited internationally. Ultimately, NYU Shanghai could have as many as 3,000 undergraduate, graduate, and professional students, Sexton says. While classes will be taught in English, all students will be expected to achieve proficiency in Chinese, he adds.

NYU has had a presence in Shanghai for some years, including a “very popular and successful Study Away site,” Sexton says. At a university leadership meeting a few years ago—held in Shanghai—to discuss “the future of NYU as a global network university,” university authorities met with Shanghai representatives, and that started the effort to create NYU Shanghai, the first U.S. university with independent legal status approved by the Chinese Ministry of Education, Sexton says. The approval process took about a year for the campus that will be “fully self-sustaining through a combination of government support, tuition, and charitable contributions,” Sexton explains.

It’s Not Always an Easy Road

Duke University also has plans in China—in Kunshan, just outside of Shanghai—but has encountered opposition to it from some faculty on its home campus. Pursuing a strategic commitment Duke made several years ago to become an increasingly global university, The Fuqua School of Business embarked in 2008 on “an aggressive plan to create a new model for global business education,” says Nora Bynum, director of Duke’s Office of Global Strategy and Programs. Acknowledging China’s “increasingly important role in global business,” she says, Fuqua began discussions with alumni, other
universities, corporations, and government agencies “to gain a better understanding of both China’s needs and opportunities for Fuqua to engage in the country.”

After numerous conversations and visits to China, Bynum continues, it became clear to Fuqua and Duke leaders that Kunshan provided the strongest opportunity for location of a campus, and the resources to support “substantial engagement” that would benefit both Duke and China across a wide range of academic disciplines. Subsequently, leaders in Kunshan asked Duke to help create a new university there—Duke Kunshan University (DKU), a partnership between Duke, the city of Kunshan, and Wuhan University.

Wuhan, established in 1893, is Duke’s principal academic partner and sponsored Duke’s application to the Chinese Ministry of Education to establish the new campus. Duke authorities say it will not be a traditional branch campus but a “new educational institution,” which will operate under accreditation from the Ministry of Education.

Even as Chinese authorities still were reviewing the application in mid-summer, the university facilities were under construction, and Duke anticipates welcoming the first students there next fall, Bynum says. The city of Kunshan is funding construction, while financing for operations will come from a variety of sources, including tuition and philanthropy, she says.

While Duke’s board of trustees approved Duke’s role in the partnership last February, Bynum points out that Duke faculty and the faculties of individual Duke schools offering degrees must approve any Duke degree programs to be offered at DKU. That’s where the China campus plan has run into problems. In a meeting last June, Fuqua faculty initially rejected a master’s of management science program and left another program for an executive MBA up in the air pending redesign of the first one. The decisions delayed review of the programs by the full university faculty, which was scheduled to take place in June.

“At this point, the initiative strikes me as seriously in trouble,” Thomas Pfau, a Duke English professor and an outspoken critic of the plan, said in mid-summer. “Absent faculty support for it,” especially from the business school faculty and the university’s Academic Council, the China campus “will provide but a costly and entirely avoidable blunder, the result of administrative hubris, in turn abetted by indifference and carelessness on the part of the Board of Trustees,” Pfau asserted. He maintained that Duke President Richard Brodhead, Provost Peter Lange, and Fuqua Business School Dean Blair Sheppard “arguably conceived and pursued the Duke in Kunshan initiative pretty much on their own and certainly without any genuine attempt to solicit faculty input or expertise on the feasibility of the project.”

In late July, Duke announced that Sheppard, who had been dean of the Fuqua School since 2007, had declined reappointment to a second term and would assume a new role in fundraising and business development for Duke Kunshan University.

“There have been some vocal critics” of the DKU plan, Bynum acknowledged, adding that “robust discussion and debate are hallmarks of academic life.” Many Duke faculty members are engaged in “productive discussions” about Duke’s work and future in China, and “what is emerging is a healthy and constructive process to develop high-quality programs that make sense for both the Chinese market and the Duke faculty members who may teach in those programs,” Bynum said.

Asia Is Popular for Branch Campus Sites

Other universities also have plans for campuses in Asia. Yale and the National University of Singapore announced last March that they will establish Yale-NUS College in Singapore, an autonomous college of NUS, which will award the institution’s degrees. Although not strictly a Yale branch campus, it will be the first campus Yale has developed beyond its home campus in New Haven.

“NUS has had a brilliant strategy in the last seven years of partnering with leading U.S. universities to create new enterprises on their campus. They were interested in introducing a true liberal arts residential college model for Asia and they approached us,” says Yale Vice President and Secretary Linda Lorimer.

At first, she says, “this was an intriguing idea” to Yale’s leaders but “extraordinarily audacious and ambitious since Yale has had no campuses abroad.” Also, “we were unclear what kind of role we would take. We could
simply have been consultants.” As conversations continued, Lorimer says, “there was increasing excitement among many on our campus about what it would mean to imagine liberal arts education for the twenty-first century, and literally do it from scratch.”

“The goal is to provide the collegiate experience in residential colleges as we know them at Yale, but adapt it and improve upon it for the Asian context. We think this is an incredible opportunity to share the liberal arts model with the fastest growing region in the world. Singapore is the classroom for much of Asia,” she says.

With financial investment by Singapore’s government, architects are designing the new college’s facilities while joint Yale-NUS committees are working on recruiting faculty and administrative staff for a projected opening date in fall 2013. A senior member of the Yale faculty has been appointed the first dean of the faculty and the first dean of admissions is coming from Yale’s admissions team, Lorimer says. The student body ultimately will number 1,000, but “we want to start small and work up,” with 150 students the first year “and then ramping up from there,” she says.

Meanwhile, enrollment has grown steadily at the University at Buffalo-State University of New York (SUNY) branch campus in Singapore, from fewer than 100 five years ago to approaching 1,400 now, and “the quality of the students is very good,” reports Stephen C. Dunnett, vice provost for international education at Buffalo. In both categories, “we have surpassed expectations,” he says. With its partner, the Singapore Institute of Management, Buffalo has an ultimate goal of up to 2,500 students for the campus and “we think we’re well on the road” to reaching it, Dunnett says.

One surprise, he says, is that “we didn’t attract as many students from the region as we anticipated.” Buffalo initially expected maybe 15 percent of its Singapore campus students would come from neighboring countries, including China, Indonesia, and Malaysia, and they did, when the campus was launched, Dunnett says. At that time, he recounts, the U.S. State Department was “a lot tougher on visas for undergraduate students to come to the U.S.”

But now “it is very easy” to get visas, and because students from the countries the Singapore campus was targeting now can go directly to the United States, many do that and enroll at the home Buffalo-SUNY campus in upstate New York. Most students on the Singapore campus now are from Singapore itself, Dunnett says.

Buffalo also was concerned early, he adds, that it might have difficulty attracting faculty from its home campus to go to Singapore, but that hasn’t turned out to be an issue. “Singapore is such a pleasant place,” he says. “It’s an advanced, English-speaking country where it’s easy to live.” Unlike the Buffalo area, particularly in the winter, “it’s always summer” in Singapore, “so faculty go and they like it,” Dunnett declares.

### An Indian Branch Campus in Asia

In another campus initiative in Asia, Manipal University in India, with other campuses already operating successfully in Dubai and Malaysia, was scheduled to open a new one—Manipal International University (MIU)—in Kuala Lumpur in September.

Manipal’s interests in Dubai and Malaysia developed from different circumstances, says Duleep Deosthale, Manipal’s vice president for international education. Manipal University, Dubai, was established in 2000 partly in response to “a significant Indian diaspora in that part of the world,” he says. As the only multidisciplinary campus in Dubai, “we have not had some of the challenges that others maybe have experienced, because “we are in a certain sense not one-dimensional,” he says.
The initial campus in Malaysia—Melaka Manipal Medical College—‘happened by chance, not by design,’ Deosthale says. He explains that Malaysian students interested in medicine typically studied previously at Manipal in India. But ‘a long time back,’ he says, the Indian government capped the number of foreign students who could study there. So ‘with the help of the Malaysian government,’ Manipal opened the medical campus in Malaysia. Now, one in every five doctors in Asia is a Manipal graduate, Deosthale reports.

‘On the strength of that,’ he says, the Malaysian government also invited Manipal to establish MIU as a multidisciplinary university that is expected to attract up to half its students from outside Malaysia, including North Asia, Central Asia, the Middle East, and India.

Dubai, India, and Malaysia are ‘emerging economies with tremendous possibilities,’ says Deosthale, and ‘we are hoping that down the road, we will develop a system to allow students to move from one campus to another.’ Meanwhile, he says, Manipal continues to explore branch campus possibilities in other countries as well, always working with the governments of the countries it is considering ‘in terms of what their needs are, what the financial obligations might be, who the students will be.’

In establishing a branch campus, he concludes, ‘you have to be sensitive to what you will be doing and how you will be doing it.’

**A Successful Longtime Branch Campus in Japan**

While a number of universities are early in their international branch campus experiences or just getting started with branch campuses abroad, Temple University Japan (TUJ) has been operating for 29 years and is the oldest and largest foreign university in the country. Beginning with a private partner in Tokyo, it became an independent entity in 1996 to ensure that Temple would have ‘direct control’ over its programs, policies, and procedures, says TUJ Dean Bruce Stronach. It exists now as a limited ownership corporation in Japan and has decided not to become a Japanese university because that would mean, among other things, that Temple would no longer have that direct control and the TUJ degree would no longer be a Temple degree, Stronach explains.

‘To me, this is one of the most important elements of TUJ and one that sets it apart from almost all other overseas campuses of American universities,’ says Stronach. Students from anywhere in the world can apply to Temple through its Japan campus, be accepted through it, and ‘spend their entire educational experience here, graduate from here, and receive the same degree that they would receive in Philadelphia.’

That could happen only with the ‘blessing’ of Temple’s regional accreditation association—the Middle States Association of Colleges and Schools—which visited TUJ last year, Stronach says. To gain that blessing, ‘which we have,’ he says, TUJ had to ensure that its academic policies and procedures, as well as program curricula, are those of the main campus, or if not exactly the same, are similar to them ‘when there is a need to institute ‘local rules,’ given differences in the host country.’

Only 10 to 15 percent of TUJ’s students come from the main campus to study abroad and a ‘much smaller’ percentage of students who enter Temple
directly through the Japan campus transfer to Philadelphia, although all who study at TUJ have that option, Stronach says.

He cites several factors for TUJ’s long-term success. One, he says, is “clear understanding of mission and finances from the outset, in writing, so that no one can come back and question what was actually decided upon at the beginning.” Also, he says, the home campus leadership “is committed to international higher education,” and the branch campus has a leader “who knows how to administer within the American university context and within the context of the host country’s system of higher education.” Another key element, Stronach adds, is “rigorously carrying out the policies and procedures, and academic curricula, of the main campus, with the same quality assurance that would be found there.

The only other U.S. branch campus in Japan is a two-year program run by Lakeland College, Stronach says.

Research Is Key
Marguerite Dennis, a veteran international educator since 1967 who has worked on branch campus agreements, says institutions considering foreign branch campuses should begin with extensive research. “I have a fairly good understanding of what needs to be done because I have made my own mistakes along the way,” she says.

“I think a lot of schools do only perfunctory research on a country. It’s ‘now’s the time to go into China.’ Well, 10 years ago, everybody was going into Dubai. It was almost fashionable to do it. But, it’s wiser to take a more researched approach before you begin,” Dennis says.

A good source, she suggests, are intelligence reports issued by STRATFOR, a private service that provides updated reports on political, economic, military, and other developments in individual countries, with trends and forecasts. From those reports and other sources, “you can get a feel for a country before you move into it,” Dennis says.

“Find out who has been successful or not in a country,” she continues. “A lot of schools jumped quickly into the Middle East and had to jump out just as quickly. There will be schools that will go into China and will have to drop out because perhaps their research was superficial. Everyone is going to Shanghai. That’s the flavor of the decade right now. Times change and you have to keep up with what’s going on,” Dennis asserts.

Summarizing lessons she has learned from her years of experiences, Dennis says it’s essential in establishing a branch campus to have the foreign country’s government on board. “There needs to be government support. There should be some sort of financial compensation” from the government, perhaps scholarships to students in the country who are thinking of enrolling at the new campus, she says.

Just as important, she adds, is “you need a champion at home,” ideally the university president. “You need someone who is going to say, ‘ok, these are the reasons we’re opening this branch campus, and we’re in it for the long
“I don’t think anybody should go into a country without understanding the economic and political situations, the marketing opportunities, the literacy rate, whether there is an upper middle class, and who your competitors are.”

haul.” But the champion should not call for a rapid financial return on the institution’s investment, because “that isn’t going to happen,” Dennis says. Before beginning any major international activity, she says institutions should consider it “a three-year investment, and then let’s see where we are after the second or third year, but certainly not after the first,” she explains.

A foreign branch campus plan, she says, should include back-and-forth interaction with faculty from the home campus. “Most schools don’t have that kind of arrangement. Instead, they hire locals with good credentials,” Dennis says. Also, she suggests, include a “reverse study abroad experience” that brings students from the branch campus to the home institution, perhaps for up to six months.

But thorough research is essential, she reiterates, before starting to write a plan for a branch campus. “I don’t think anybody should go into a country without understanding the economic and political situations, the marketing opportunities, the literacy rate, whether there is an upper middle class, and who your competitors are. It takes a good year to do that before you write a business plan and take it to your president,” Dennis says.

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