

By Dr Mohamed Thalha

Exporting Malaysian Education

A higher education consultant takes a long and hard look at the way Malaysian private higher education is taking shape.

MALAYSIAN higher education grapples with two critical issues. One, accommodating the rising local demand for higher education. Two, promoting Malaysia as a regional education hub to attract foreign students and turn education into a revenue earning service sector.

This article seeks to address the issue of exporting Malaysian education and thereby, making Malaysia an education hub.

International Scenario

The Organization for Economic Cooperation and Development (OECD) estimates that the value of education services trade for OECD countries was at US\$ 30 billion in 1999, equivalent to 3% of its total services export trade. This figure only takes into account students studying abroad at tertiary level and is

undoubtedly an underestimate of the current level of trade in education services.

According to a recent overseas publication titled *Vision 2020: Forecasting International Student Mobility*, there are currently about two million foreign students worldwide which is expected to grow to 5.8 million by 2020.

The Institute of International Education (IIE), in 2000/2001, reported that the leading five countries of origin of internationally mobile students come from China (120,486), South Korea (76,790), India (66,587), Japan (61,637) and Greece (52,845). The leading five destinations of internationally mobile students in 2000/2001 are the United States (547,092), the United Kingdom (222,576), Germany (185,179), France (134,783) and Australia (167,000). These countries host 77 % of all students

studying outside their own country.

In 2003, Australia attracted about 303,300 foreign students and education has become the third ranking service export industry generating A\$3.7 billion in the year 2000 for the Australian economy. Of this, the higher education sector contributed A\$1.987 billion, vocational education contributed A\$713 million, other schools contributed A\$278 million and English Language intensive courses for overseas students contributed A\$718 million. This refers only to the actual export income, while the surrounding infrastructure necessary to support the students studying in the country substantially multiplies the value of the industry.

Additionally, there were 35,000 international students enrolled at offshore campuses at Australian universities or in offshore Australian programmes in a growing field of international higher education known as trans-national programmes that increased

from 73 prior to 1993 to 625 programmes in 1999.

The overall success of Australia in exporting higher education can be seen in comparison to other countries. OECD estimates for 1999 shows that overseas students formed 12.6% of all students in Australian universities compared to 3.2% in the US, 3.8% in Canada and 10.8% in the UK.

In comparison, the percentage of foreign students in Malaysia is estimated to be about 5.8% of the total enrolment. In Singapore, foreign students make up 20% of the undergraduate population and nearly 70% of postgraduate research enrolments.

Within the European Union, the Bologna Process is due to be fully implemented in 2010. It is the most important and wide ranging reform of higher education in Europe, the ultimate aim of the process is to establish an

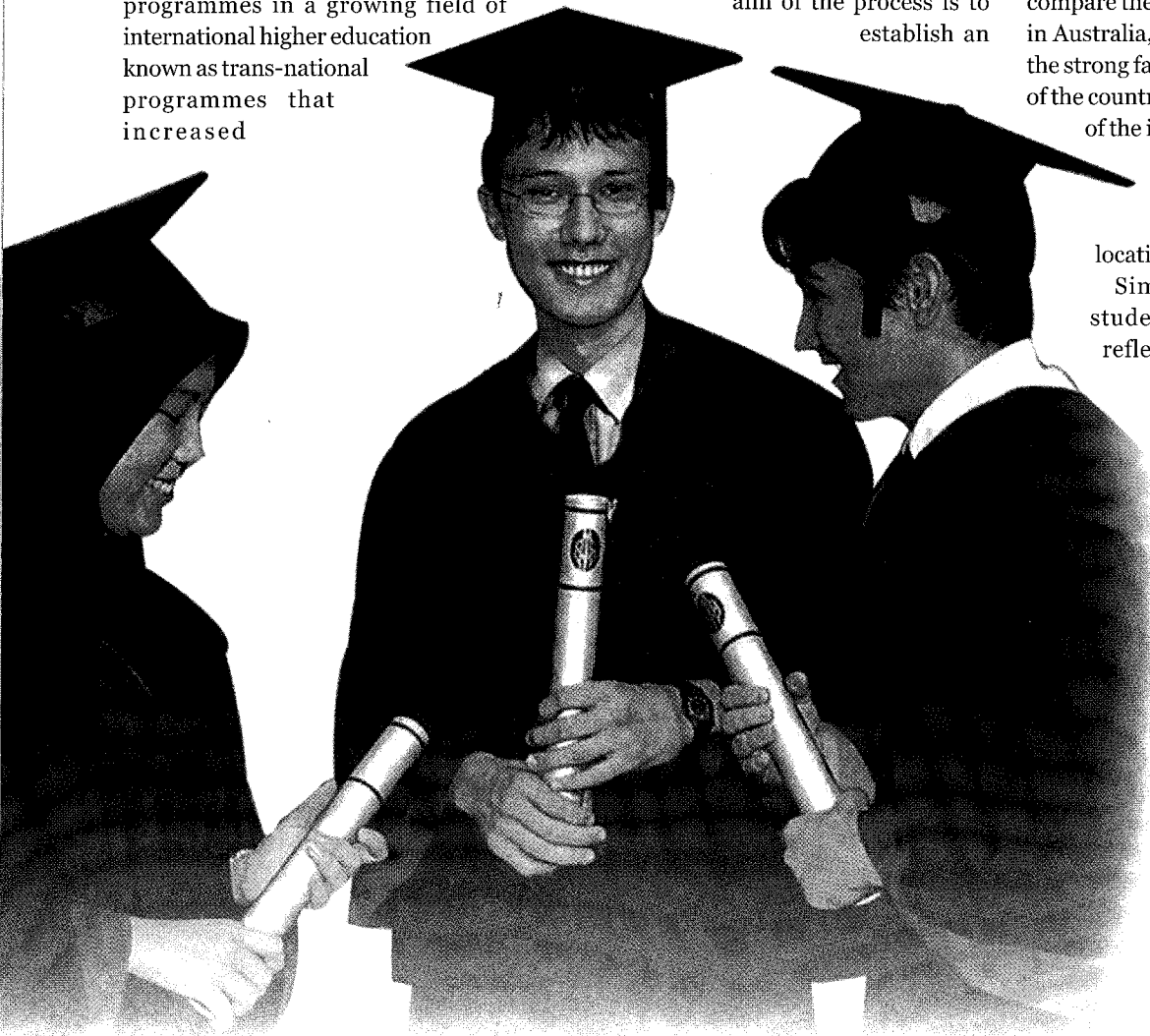
European Higher Education Area by 2010 in which staff and students can move with ease and have mutual recognition of their qualifications in 29 countries in Europe.

The UK government has drawn up plans to attract 870,000 foreign students by 2020 which a British Council report says would be worth around £13 billion a year to the UK economy. The largest predicted growth in demand in the UK is from China, with student numbers predicted to leap from 20,000 at present to 225,000 by 2020. Other fast growing markets for British education are India, Nigeria, Ghana and Bangladesh. Nottingham University is planning to open its own campus in China. This will be in addition to the campus it already has in Malaysia.

A study by *EduWorld 2001* on overseas students from Asia, undertaken to compare the experience of such students in Australia, the UK and the US indicate the strong factors relevant to their choice of the country to study are the reputation of the institution, the availability of the courses they wanted, a qualification that is highly respected, a convenient location and accessibility.

Similar surveys of foreign students studying in Malaysia reflect the same findings. The most popular courses for foreign students are business studies followed by arts and humanities, computer science, and engineering and technology courses.

It is also reported that the British Council has conducted research into the factors which determine where international students decide to study. In descending order these include the quality of a course, employability prospects, affordability, personal security issues, lifestyle and accessibility. Price and quality will be the two keys to survival



With increasing competition from regional countries, Malaysia has to move fast to capture a piece of the action on the private higher education scene. Here are some ideas on what can be done, from the eyes of education consultant Dr Mohamed Thalha.

PROGRAMMES

The policy and strategy dimensions would suggest the programmes that will flow from these think-through stages. Programmes should be designed to reflect achievable KPIs benchmarked against global best practices and counter our regional and international competitors. Indicative programmes would be:

- A ten-year development plan for making Malaysia an education hub.
- Packet of incentives to draw reputable institutions and investors to open for business here. For example, IIT type of institution from India in equity partnership with Malaysian investors could open a new university here that focus on drawing in international students.
- Establish a local Promotional Agency incorporating the current Educational Attaches and a strategy to put in place a wider presence in preferred markets.
- Publicise the list of overseas countries that recognises Malaysian qualifications at the various educational levels and programmes.
- Design a Tuition Grant Scheme for overseas' students to enhance international enrolment and for them to be bonded to work here for two to three years after completion of studies.
- Establish branch campuses of leading private Malaysian universities in other ASEAN and the Organisation of the Islamic Conference (OIC) capitals with the proviso that the final year of those courses offered there be completed in Malaysia.
- Organise Annual Conferences for Admission Registrars with a view towards:
 - a. Planning strategies for effective recruitment
 - b. Streamline the evaluation of various international grades and admissions process
 - c. Strengthen teamwork between recruitment and evaluation staff
 - d. Obtain the latest updates regarding educational systems and markets around the world

PROJECTS

- Streamline the visa procedures for international students & introduce Student ID Card System
- Government loans for colleges and universities to build housing for international students.
- Design a cost effective Student Health Insurance for international students.
- Introduce a low cost student travel scheme using the bus, rail and air network to facilitate international student travel as well as to encourage local tourism.
- Design Home Stay Programs for international students with Malaysian families.
- The above examples are by no means exhaustive but an illustration of what has to be done in a co-ordinated way to make Malaysia a major provider of education internationally and be robust enough to survive the changes and challenges in the global and regional market.

for universities in the future.

The UK observations are, this is a market where getting the price and the service right are what counts. While quality certainly matters, students are not necessarily attracted to famous 'brand' universities and colleges.

The Malaysian Scenario

Malaysia has identified five priority foreign markets in which its educational promotion will be concentrated. It has already posted educational attaches to four of the five identified regions to provide more information on opportunities for higher education in Malaysia.

Therefore, in facing tremendous competition from established players such as the US, the UK, Germany, France and Australia, the educational administration in Malaysia has to come up with a coherent, more assertive and aggressive agenda to claim a market share in the global scene. This paper attempts to identify some of the elements of this agenda for wider discussion and debate.

Policies

The policy dimension has to define the following to provide signposts for both the public and private education providers:

- Declare all levels of education (primary, secondary, international schools, vocational schools, tertiary and specialised industry-based training centres) as priority service sectors targeted at contributing to the national revenue and make Malaysia an education hub.

- Encourage the education industry to source its business inputs from countries where Malaysia believes it can get the best value for money and distribute the business outputs to where Malaysia believes it can get the highest income.

- State the policy interlink between educational export and international relations to enhance Malaysia's intellectual and cultural enrichment, and strategic engagement with countries within ASEAN and the Organisation of Islamic Countries.



- Strengthen Malaysia's position in the global education market, especially within developing economies, by providing quality-assured, high standard programmes and training at competitive costs.

- Promote Malaysian education as a gateway to Asian employment and global opportunities, thereby, creating an international friendship for better understanding and appreciation of Malaysia's business potential.

- Seek to advance international collaboration in research and scholarship.

Strategies

The strategies must focus on the agreed policies and outline how the public and private sectors in education will collaborate to achieve the desired goals. The Key Performance Indicators (KPIs) of the policies must be identified and the 'how to achieve' process defined, debated by industry players and adopted for implementation, and be subject to time-based review and adjustment.

One of the key areas is to set student enrolment targets for both public and

private sectors. Here, the authorities has to state whether public sector institutions should focus on postgraduate courses and specialised programmes and the private sector to focus on the undergraduate, diploma and certificate programmes.

Equally important is considering whether public institutions could offer programmes that are taught in *Bahasa Malaysia* in parallel to the English medium to attract international students as being done in Thailand.

Another key strategy is to outline the allowed levels of expansion by the private sector within each of the levels of education identified in the policy level – primary, secondary, international schools, vocational schools, tertiary and specialised training (such as within the petroleum industry, automotive industry, hotel and catering industry.)

This has to be coupled with the creation of promotional agencies like the British Council or Australian Government International Education Network (better known as AEI) to market and be a reference point for global information on Malaysian education.

Other important points of the strategy are:

- Decide how promotional funding will be organised and who pays how much.

- Design innovative incentive packages to guide investments into desired study levels and study programmes that will have minimum costs to the government but maximum impact on the policy.

- Protect the rights of foreign students studying in Malaysia through dedicated legislation to prevent exploitation of students by unscrupulous agents or institutions and widely publicise such legislation to give a sense of security to potential students.


- Define franchising framework with third parties both within and outside the country.

- Develop niche markets by areas of study, especially in economic development, financial management, international trade, public administration, IT applications, Asian languages and others, in which Malaysia enjoys global respect and admiration.

- Design a global image for Malaysia as a 'destination for quality education and training' using the positive image that Malaysia enjoys within the ASEAN and OIC countries and sustain this promotion.

- Seek official 'recognition' from the governments of the countries from where our institutions draw students and international professional bodies so that Malaysian qualifications will be accepted by the employers of their home countries.

- Outline the strategic parameters for the e-delivery of courses, distance learning programmes, and Internet-based tuition programmes.

The above examples are by no means exhaustive, but is an illustration of what has to be done in a co-ordinated way to make Malaysia a major provider of education internationally and be robust enough to survive the changes and challenges in the global and regional market. 

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