Quality Audit and Assurance for Transnational Higher Education

Edited by Jeanette Baird

AUSTRALIAN UNIVERSITIES QUALITY AGENCY

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PREFACE

Worldwide interest in cross-border higher education continues to grow, especially in regard to transnational higher education, referring broadly to higher education that is provided by an institution in a source country to students studying in another, or host, country. In addition to the rapid growth in transnational programs, another reason for this interest is the implications of the General Agreement on Trade in Services (Knight 2006). These developments have in turn led to a raft of discussions about the quality of transnational programs.

If transnational programs are a significant source of higher education provision in host countries, then such countries will wish to be assured of the quality of such programs. They may also wish to consider how such programs should contribute to national priorities for development. In a competitive global market for higher education, source countries have an interest in ensuring that the standards of their transnational programs at least maintain those of programs offered onshore.

Host countries such as Australia now find themselves with mature transnational programs. However, as several contributors to this volume observe, the offering of such programs has preceded systematic quality assurance arrangements tailored to their specific requirements. Perhaps this is not unexpected – experience of transnational higher education is needed to inform improvements. Many Australian universities are collaboratively developing guidelines for good practice (IEAA 2006). At the same time, internationally, there is now a wealth of information on trends and advice on quality assurance for transnational higher education (see for example McBurnie and Ziguras 2006, UNSECO IIEP 2006, Verbik and Merkley 2006, and many reports from the Observatory on Borderless Higher Education).

This publication aims to contribute to the international dialogue on quality assurance of transnational higher education, with an emphasis on quality audit. Although it reflects Australian experience and lessons learned, it includes consideration of the wider comparative context in which Australian practices and approaches should be viewed. Findings from quality audits and the advice from experienced auditors will be of particular interest to those in higher education institutions who coordinate, deliver and approve transnational programs.

The chapters in this publication fall naturally into two parts. The first part considers approaches to quality audit and assurance in transnational higher education from the perspective of national quality assurance agencies. In Chapter 1, Dorte Kristoffersen describes the approach to auditing transnational higher education used by the Australian Universities Quality Agency (AUQA), while in Chapter 2 Stephen Jackson discusses the transnational audit model of the UK Quality Assurance Agency. Catherine Ip provides an example of the perspective and approach of a host country quality agency, the Hong Kong Council for Academic Accreditation in Chapter 3. Martin Carroll of the Oman Accreditation Council suggests in Chapter 4 some alternatives to current practices with particular reference to Australia.

The second part offers guidance to both auditees and auditors for effective quality assurance of transnational higher education. In Chapters 5 and 6 Colleen Liston and Vi McLean offer insights from their dual perspectives as senior university managers and experienced quality auditors. Colleen's chapter focuses on quality assurance considerations for branch campuses while Vi's primarily addresses partnership programs. Much of their advice is echoed in Chapter 7, in which Martin Carroll and David Woodhouse consider the findings from AUQA audits and the extent to which transnational higher education necessitates additional quality assurance measures.

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Jeanette Baird

Series Editor

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PART 1 AGENCY APPROACHES AND ALTERNATIVES

AUQA's Approach to Auditing Transnational Education

Dorte Kristoffersen

Introduction

International students studying for an Australian qualification either onshore or offshore are playing an increasingly important role in Australian higher education, although their presence in Australian universities is not a recent phenomenon. Australian universities' links with other countries, especially those in the Asia-Pacific region, emerged as part of aid-sponsored activities in the 1950s under the Colombo Plan, and this form of development-led international education continued until the mid 1980s where it was replaced by market-based or financial rationales (Meiras 2004).

More recently, as levels of public funding have decreased, Australian universities have needed to develop alternative sources of income. Fees from international education have been an important, if not the most important, alternative source. As a consequence the scope of the international activities in Australian higher education has increased considerably over the last decade. In 2005, there were nearly 240,000 overseas students enrolled in all Australian higher education providers (mostly in universities) and over 63,000 of these students were studying offshore (DEST 2006). Shanahan and McParlane (2005) quote Garrett and Verbik as stating that 57% of Australia's offshore programs have been established in 2000 or more recently.

Today international students, studying onshore and in many cases offshore, are part of the Australian university landscape. At the same time, there are significant variations in the percentage of overseas students studying in Australia and those studying for an Australian qualification offshore through collaborative arrangements or foreign campuses. Monash University, for example, has 17,077 international students studying on its campuses in Australia (30% of its student population) and 6,035 studying abroad at its two offshore campuses and through collaborative arrangements with foreign higher education institutions. In comparison the University of Southern Queensland has 8,333 (32% of its student population) international students enrolled onshore, but no international students studying in other countries (BRW 2006).

The focus of this article is the approach taken by the Australian Universities Quality Agency (AUQA) when auditing universities' transnational activities, which in this context are defined in the Federal Government's *Transnational Quality Strategy* (DEST 2005; see also comments in Chapters 3 and 4) as referring to the 'marketing; enrolment processes, and delivery and/or assessment of programs/courses in a country other than Australia and by an Australian-approved provider, where delivery includes a face to face component. The education…may lead to an Australian qualification or may be a non-award course, but in either case an Australian-approved provider is associated with the education…activity'.

Approach to auditing transnational education

AUQA, through its audits of Australian universities and other self-accrediting institutions, is responsible for addressing and reporting on the effectiveness of quality systems for its academic activities, including transnational education.

In March 2003, as part of the higher education reform package 'Our Universities: Backing Australia's Future', the Federal Minister for Education, Science and Training announced additional funding to further assure the quality of Australian higher education provision offshore.

The Minister established a reference group on offshore auditing of higher education in 2004 to formulate recommendations on how best to enhance Australian offshore quality assurance and offshore quality auditing. The reference group was specifically asked to examine a proposal to audit the offshore operations of Australian higher education institutions on a whole-of-country basis, separate to AUQA's processes for institutional audit. The reference group, on which AUQA was represented, concluded that in the Australian context whole-of country audit would not be the best way to strengthen offshore quality assurance. Instead, the reference group provided alternative recommendations, four of which were related to AUQA's transnational audit activities. These four recommendations were approved by the Minister and from 2005 AUQA received additional funding for a period of three years to strengthen its audits of Australian universities' transnational activities.

AUQA was requested to increase its sampling of universities' offshore operations on an institution-by-institution basis and required to prepare composite reports on common themes arising from the transnational components of institutional audits in particular countries. AUQA is also required to develop formal relationships with overseas audit/accreditation agencies, focusing on the countries in the region where Australian universities are most active at present, i.e. Malaysia, Singapore and Hong Kong. These relationships aim to increase the awareness and understanding of the Australian higher education quality assurance system and to seek to develop joint, bilateral approaches with audit and accreditation agencies to assess the quality of Australian higher education activities in their countries.

Part of the additional funding was earmarked to increase the training and development of AUQA auditors, to develop their capacity and experience in auditing offshore operations. AUQA has held two workshops for this purpose, in October 2005 and April 2006. As well, AUQA has appointed country liaison officers to most of the countries in the region and eight countries have been visited a least one since early 2005.

AUQA and transnational education

AUQA's audits in the first cycle are fitness for purpose whole-of-institution audits which take as their starting point an institution's own goals and objectives, with reference to the relevant regulatory context. This means that AUQA also gives consideration to a number of external reference points or sources that universities are bound by when undertaking international activities including transnational education.

The most important of these sources is the National Protocols for Higher Education Approval Processes (MCEETYA 2000). Three of the five protocols are relevant to the offshore activities of universities and other higher education providers, and protocol four in particular covers the delivery arrangements for higher education institutions involving branch campuses or other organisations, including organisations outside Australia. Protocol four requirements, which are outlined by Colleen Liston in Chapter 5 and noted in Chapters 4 and 7, determine that if an Australian university or other self-accrediting institution operates in a distant location and issues an award under its own name, these arrangements will be subject to audit by AUQA. The current protocols, which were approved by MCEETYA in 2007, will be replaced by a revised set of protocols due to take effect by 31 December 2007.

Other sources that AUQA uses for reference include the Federal Government's *Education Services for Overseas Students (ESOS) Act 2000* (also being amended in 2006), the institution's enabling legislation, foreign government requirements in terms of approval of foreign providers and the Australian Vice-Chancellors' Committee (AVCC) 'Code of Practice and Guidelines for Australian Universities in the Provision of Education to International Students' (AVCC 2005). The Code is signed by all members of the AVCC and commits the universities to adopt and maintain the good practices in the Code relating to the recruitment, reception, education and welfare of international students studying at Australian universities in Australia or offshore.

Each AUQA audit commences with the submission by an institution of a performance portfolio. Where international activities, including the education of international students in Australia or offshore, are a significant element of institutional operations, the portfolio would be expected to contain an account and analysis of the institution's approach to internationalisation and international activities. Audits typically use a sampling approach. If the analysis of the institution's portfolio and other documentation indicate that offshore activities are important and therefore warrant further investigation, a number of factors are taken into account to determine whether offshore operations should be visited and which ones to sample.

With the assistance of increased funding for quality assurance in transnational education, 2005 AUQA audit panels since 2005 have visited at least one operation offshore in all cases when an auditee has active students enrolled in courses outside Australia. From the beginning of 2005 to November 2006 AUQA has visited 46 transnational collaborative arrangements including four offshore campuses. In all, AUQA has visited a total of 80 transnational operations. The first two composite reports on common themes arising from audits in Singapore and Hong Kong have been prepared.

Deciding where to visit offshore: The seven factors

The main forms of transnational education adopted by Australian universities are collaborative arrangements and fully or partly owned branch campuses. The common forms of collaborative arrangements are franchise arrangements, twinning arrangements, double joint degrees, articulation and validation (Knight 2005). Decisions on offshore visits are taken by the audit panel at an initial face to face meeting at which the institution's portfolio is discussed. AUQA has articulated seven factors to assist audit panels in making these decisions. Five of these cover the substance and nature of the transnational activities and two are related to practical aspects of conducting a visit offshore. These seven factors are applied to the documentation supplied by the institution being audited. The audit panel usually treats the various factors in a group, paying careful attention to issues of materiality and risk and to features specific to the auditee.

Materiality

It is important to establish at the outset the scope of an institution's offshore activities, as reflected in the total number of collaborative arrangements, how many courses are offered within each partner institution and the type of courses offered.

Secondly is it important to consider the scope of each transnational operation in terms of numbers of students and staff involved. This information can either be calculated as total numbers per transnational arrangement and/or offshore students as a percentage of the total number of students enrolled at the university. The number of students enrolled in a particular course could be quite substantial from a teaching perspective but in the broader perspective constitute only a very small number of the university's total students. In a very few cases the number of offshore students in Australian is very low. Other factors also play a role: a university may have put the development of collaborative arrangements on hold to revisit its internationalisation strategy, and therefore at the time of the audit have no students enrolled offshore.

Conversely, if offshore student numbers are high and particularly if they have fluctuated over time, offshore operations could well be material to an institution's overall financial position as well as to its reputation.

Strategic significance

The scope of an institution's transnational activities must be considered in relation to the strategic significance of these activities. Australian universities increasingly are developing internationalisation strategies with clear objectives and embedded quality assurance processes, building on many years' experience, but less mature approaches, where strategies have yet to be articulated, are still quite common.

Institutions whose transnational activities are subject to aggressive growth strategies are likely to warrant further investigation even if the activities are quite small. On the other hand if the activities are ad hoc in nature and not embedded within an institutional strategy and not likely to grow considerably, the value in auditing them specifically may be limited.

Risk Management

The risks to the provider are taken into account when an audit panel contemplates transnational education. If a serious problem arises in relation to a course in one location with one partner, this experience can have a detrimental impact on the reputation of the provider's other courses both offshore and in Australia, in addition to possible serious impacts for students.

When identifying the risks to a provider of operating transnationally, it is relevant to consider external factors as well as the internal procedures that the university has set up to monitor risks. The audit panel may want to take as a starting point the institution's risk management systems and how they apply to transnational operations. The results of internal reviews of offshore operations can also provide useful information. The issues identified through these mechanisms and the effectiveness of institutional follow-up are important indicators of the effectiveness with which the risks are being monitored and resolved by the institution.

Another criterion which can guide decisions on auditing transnational operations is the length of time the program has been operating. If the activity is newly established and the preparation of the operation seems to be thorough, there may not be additional value in focusing further on this area. Longstanding arrangements may suggest stability but the panel may decide it would be valuable to further investigate how the arrangement has developed, what improvements have been made and how challenges have been dealt with.

There are a number of external factors and sensitivities that universities need to take into consideration, including international relations, the political and social stability of host countries, and the potential for instability to lead to an unsafe environment. Changes in government can from time to time result in rapid changes in regulations for foreign providers of higher education. For example, in May 2006 the Indonesian government blacklisted two Australian universities, Deakin University and RMIT, because of tension between Australia and Indonesia over a matter not related to higher education (CR 2006). Audit panels will be interested to examine how institutions are managing the risk of a crisis that potentially could force providers to leave the host country without having honored its contracts with students and partners.

It is also important for the audit panel to consider how many different faculties and schools are offering courses offshore. If the offshore activities are concentrated in a few faculties, it is easier to investigate the planning and quality assurance processes for offshore operations and the rigor with which they are being followed. Having a broad spread of offshore activities across faculties can add to risks.

Risks to students

While the risks mentioned above are all risks to students, they relate to risk management systems generally. Some features of transnational operations however may pose particular risks to students and sometimes these may serve as a counterbalance to materiality and significance factors. Where the number of offshore students is small, for example, good practice in quality assurance for transnational education may not have been given as much attention as in institutions with very large number of offshore students. There may be increased vulnerability for offshore students where transnational activities are being wound-down and courses 'taught out'.

Another critical aspect of a transnational teaching situation is the structure of the program and the support for local staff. In the majority of cases, Australian courses offshore are taught by Australian staff who fly in to teach the course for an intensive period, with varying degrees of teaching or tutoring undertaken by local staff. A crucial aspect of the quality assurance of local staff is induction and training and ensuring that these staff are thoroughly and continuously briefed about the program. A university's apparent ability to deal with risks to students through the grievance procedures in place is another area which could guide decisions whether to visit transnational operations. Other potential risks areas are students' access to facilities of comparable quality to the facilities onshore, e.g. the library and computer laboratories and pastoral care.

Host country accreditation

Assessing host country accreditation requirements may help the audit panel decide whether to visit offshore operations. The increase in transnational education has lead to an increasing focus from host governments on procedures in place to check the quality of foreign providers. Catherine Ip's discussion of the situation in Hong Kong in Chapter 3 provides one example.

Jane Knight (2005) has identified two central issues in regard to recognition of transnational education: firstly, who recognises and gives any type of provider the power to award qualifications in the home (or sending) country and/or in the host (or receiving) country; and secondly the impact on national, regional and international regulatory frameworks. The question of 'who grants the credits/awards' will be augmented by 'who recognises the provider' and whether or not the program has been accredited or quality assured by a bona fide body.

The UNESCO/OECD Guidelines on Quality Provision in Cross-border Higher Education (UNESCO 2005) encourage quality assurance agencies to work on establishing mutual recognition agreements regarding their judgments on quality assurance, not least to reduce workloads and duplication. Most of the countries in the Asia-Pacific region with quality assurance for foreign educational providers operating in their country have introduced program accreditation. In most cases the quality assurance activities are carried out by the body which is also responsible for assuring the quality of domestic providers. However, these procedures vary considerably in their focus, scope and rigor. It is worth noting here that AUQA has been active in promoting links with host country external quality assurance agencies in line with the Guidelines (Woodhouse 2006).

Necessity

Should the five factors presented above indicate that particular transnational activities warrant further investigation in the form of interviews with students, staff and stakeholders offshore, the audit panel needs to consider whether the panel can acquire the necessary information by other means, e.g. by teleconferencing, videoconferencing or the provision of additional documentation.

Practicality

An audit is carried our within specified financial parameters and timelines, so the likelihood that the visit can be properly planned and achieved in the time available needs to be considered. If an institution's transnational activities are widely dispersed around the world, some visits may simply not be feasible.

The process for audit visits to transnational operations

Due to financial and time constraints, only a delegation of the audit panel visits an institution's transnational activities, usually the panel chair and the AUQA audit director. In many cases, a representative from the institution being audited travels with the audit panel delegates. In the case of partnerships, it is often useful for the auditee's representative to introduce the visiting delegation to the partner. Also, the panel delegates are able to clarify various points at the time of the offshore visit.

After the audit panel has considered the various factors, a preliminary selection is made of offshore courses, partners and campuses to visit. It is possible for the audit panel to change its selection after discussion with the auditee and after receiving more information on the selected courses or campuses. In most cases it is necessary to request more information, particularly in relation to the partnership arrangements, e.g. contracts and agreements, external and internal reviews, arrangements for teaching including assessment and moderation, and marketing and promotional material.

It is AUQA's practice to notify the local quality assurance agency when AUQA is conducting an offshore audit visit to a location that falls within the local agency's jurisdiction and to invite the local agency to advise AUQA of any particular strengths or issues related to the auditee's activities in the country in question. This invitation is also sent to relevant Australian Education International counselors and may be sent to other stakeholders.

Where AUQA has signed a memorandum of cooperation with another external quality assurance agency, one of the goals will be a systematic exchange of information when AUQA conducts a visit to audit an institution's transnational activity. These efforts raise the possibility of developing and establishing more permanent mutual recognition arrangements.

A separate audit visit program is prepared for the panel delegation's travel to the auditee's operations in other countries, although the types of people interviewed do not differ considerably from audit visits in Australia. A visit to either a partner institution or foreign campus always includes interviews with the head of the institution and the program director. If there is a local course coordinator, the panel delegation will also want to meet this person and the program includes discussion with local teaching staff and tutors as well as with students and external stakeholders. At the main audit visit in Australia, the audit panel will usually speak to the Australian-based course coordinators and sometimes to teaching staff.

After the offshore visit, the panel delegation prepares a confidential report on its observations for the other panel members, which identifies any issues to pursue during the main audit visit. The evidence collected during offshore interviews is used in reaching audit findings and reflected in the final audit report.

AUQA's whole-of-institution audit approach means that international and transnational activities of Australian universities and other self-accrediting institutions have been part of any AUQA audit. As discussed in Chapter 7, one general conclusion that can be drawn from AUQA audits is an ongoing requirement for improvement in institutions' management of their transnational education. Although the future growth in international students studying towards an Australian qualification in Australia or offshore may not be as high as in previous years, the international activities of Australian universities will continue to play an important role in their strategies and thus in AUQA audits.

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The Quality Assurance of Transnational Education: The UK experience of QAA Overseas Audit

Stephen Jackson

The delivery of UK higher education overseas

There has been a significant increase in the scale and diversity of international activities involving UK higher education institutions over the past 15 years. This trend reflects the increasing internationalisation of higher education and the desire of UK institutions to broaden their range of activities. It is also, in part, a response to the changed circumstances of higher education funding in the UK and the attempts by many institutions to explore the opportunities of an expanding global higher education market. For a significant number of institutions this interest has involved the recruitment of an increasing number of international students and the development of collaborative partnership links with institutions and organisations for the delivery of academic programmes, shared research activity, or the offer of UK higher education awards. Programs may either be franchised to partner providers and delivered in country, or they may involve the recognition or accreditation of existing programmes as part of an articulation arrangement, with students progressing to the UK to complete their studies. A number of institutions are also involved in the development and delivery of transnational programmes through a variety of distance learning methods, including e-learning initiatives.

In general, the programmes offered reflect the demands for additional higher educational opportunities in countries with limited capacity for the rapid expansion of publicly funded higher education. Developments have been particularly focused on areas such as business studies and management, information technology, engineering, healthcare education and the creative arts.

Assurance of standards

The Quality Assurance Agency's remit is to safeguard the standards of UK higher education awards and it periodically conducts audits and reviews of higher education institutions to provide public evidence of the sound management of academic standards. The Agency also audits partnerships between UK higher education institutions and organisations overseas that lead to the award of degrees from UK institutions. These audits assess how effectively the UK institution manages both the maintenance of standards of its awards made in respect of overseas programmes, and the quality of those programmes. This initiative helps to improve confidence in the work of UK universities and colleges operating overseas.

Overseas audits date back to the mid 1990s and were implemented, in part, to meet increasing concern about the lack of evidence that UK higher education institutions were managing overseas partnerships effectively and that the standards of awards offered could be compared directly with programmes taken by students within the UK. Between 1996 and 2005, QAA has visited 26 countries and audited over 100 partnership links.

The QAA's approach is based on a country by country review of partnership arrangements. Countries are selected on the basis of the range and scale of current partnership activity and the significance of UK developments. The focus is on the role of the UK institution as the awarding authority for higher education qualifications offered overseas and consequently the reviews explore the mechanisms used by institutions to assure the standards of their awards and to ensure that students receive a learning experience which is comparable with that offered on campus within the UK.

The audits are conducted using the QAA Code of Practice, particularly section 2 on collaborative provision and flexible and distributed learning including e-learning (QAA 2004). This provides a set of reference points, derived from institutional best practice, that define the 'standard' for programmes delivered overseas. Audit teams judge the extent to which institutions are fulfilling the expectations of the Code and are exercising their powers to award degrees with due diligence and care.

Why QAA visits individual countries

The rational for the Agency's approach to overseas audit is based on the awarding function of institutions and their responsibility for the quality and standards of programmes delivered off campus. The decision to visit on a country by country basis was influenced by the concerns initially expressed within individual countries. The combination of a lack of systematic evidence of UK standards and reports in the press about 'poor quality' programmes or unsatisfactory student experiences generated a need to demonstrate to governments and other interested parties, including students wishing to study in the UK, that higher education institutions were generally delivering programmes that met expected standards.

A whole country approach offers a number of advantages. It provides the opportunity to collect information about the range and scale of links between UK institutions and partner organisations and it also allows for a comparison between the different models and approaches used by different institutions. Overseas audit teams are able to place their evaluation of the management of quality and standards within a broader understanding of higher education developments within the country where the reviews are conducted and it allows, in some cases, for the production of an overview report reflecting on the more general characteristics of UK higher education based on the evidence gathered from the individual audit links and other supplementary evidence collected for the purposes of the audit.

There are also significant advantages in terms of the logistical arrangements for overseas audit. Normally a team will visit overseas for a period of 10-14 days and will be able to review between three and six partner links. Although such trips are relatively expensive, there are economies derived from having one team in one country conducting a number of visits rather than sending teams to look at individual links in a number of different countries.

The disadvantages relate to the separation of overseas audit from other activities that QAA is engaged with. Because overseas audit operates on a cycle of its own, there is little opportunity to link the processes of institutional audit and collaborative provision audit in England and Northern Ireland, or enhancement-led institutional review in Scotland, or institutional review in Wales, directly to the overseas programme. On occasions institutions will find themselves with an overseas audit occurring in the same period as institutional audit or review, and this provides an opportunity to present a common set of information and evidence to support both activities. In other cases, institutions are faced with the need to represent information and/or prepare new sets of documentation soon after an institutional visit or other type of review. Consequently, it is perhaps not surprising that the evaluation of QAA processes sometimes includes a request that the Agency should be more 'joined-up' in its approach to institutions.

The overseas audit method in practice

Currently the process of overseas audit begins with the identification of a country or countries as the focus for audit activity. Countries are selected on the basis of the scale of UK higher education activity and the need to provide, over time, effective global coverage. Publicised concerns about UK higher education provision or specific examples of difficulties may be an additional factor in the selection of countries.

Once selected, the QAA invites all UK institutions to provide a return of their links with collaborative partners in the country, including information on the length of time the partnership has been in operation, the range of programmes offered to students and the numbers on each programme. On the basis of this evidence the Agency selects a limited number of institutions to participate in the audit programme. Institutions are selected to provide a range of different types of partnership arrangement, different programmes of study and differences in the numbers of students involved. Where feasible, attempts are made to gain appropriate representation from the different countries of the UK.

The institutions that are selected to participate in the audit are invited to provide a self evaluation of the arrangements that they have in place to manage their partnership arrangements and supply any additional information that will be of value for the audit. Although the focus of the audit is on the specific link with the in-country partner, the audit takes a wider view of how the UK institution manages its portfolio of collaborative links.

QAA asks the institutions to indicate the extent to which the audited link is typical of their arrangements for the management of collaborative provision.

The actual audit activity is in two parts. Members of the audit team visit each of the UK institutions and meet with senior staff to discuss the strategic significance of the institutions international developments. They also meet with those responsible for the management of the link and any academic staff who contribute to the delivery of the programme. In those cases where students transfer to the UK to complete their studies the audit team will also talk to students on the programme in the UK to hear their views about their learning experience and the arrangements for their transfer. The visit to the institution also provides an opportunity for the more detailed review of documentation.

The second part of the audit is the visit to the overseas partner. This provides the opportunity to assess how the UK institution's arrangements operate in practice. The audit team will meet with staff responsible for the management of the partner organisation, those who deal with the administration, staff who teach on the programme and a representative group of students. QAA makes it clear that this end of the process is not an audit of the partner organisation. It is about how the UK institution assures the quality and standards of the UK awards that are offered to students.

The final stage involves the publication of the report on the link. Reports are written by members of the audit team and include concluding comments which identify the level of confidence that can be placed in the quality and standards of awards offered through the partnership. The reports also identify any specific features of good practice and areas where there is scope for further development.

The impact of overseas audit on UK higher education institutions

QAA carries out audits overseas on behalf of its subscribers – the UK higher education institutions. This activity does not come directly within the contract arrangements with the UK funding bodies. These bodies have a specific statutory obligation to provide assurance that publicly funded higher education is being delivered to an expected standard. They contract with QAA to fulfil this obligation. Overseas provision, outside the European Union, is exclusively funded privately. As a consequence the purpose of the audits is to provide assurance to the higher education sector that UK standards are being maintained and in so doing, provide a measure of protection for all institutions that operate overseas.

As a result the reports of overseas audit activity are written to inform the sector. They identify where arrangements are working well and where an institution's practices are out of line with the standards normally expected. The QAA Code of Practice provides the guidelines for assessing institutional performance and these reflect sector best practice. QAA is sensitive to the potential impact of critical reports on the interests of UK higher education more generally and is careful it its choice of language. However, the principal requirement is to report on what is found and on occasions the language in overseas reports has been direct and unequivocal.

The public reporting on overseas activity has had an influence on institutions in a number of different ways. For some individual institutions that have received critical reports, there has been a major reassessment of institutional policy towards overseas partnership activity. A few institutions have received critical media attention both within the UK and overseas and this has not only damaged reputation but also, on occasions, contributed to structural changes within the institutions.

More generally, institutions have reassessed their policies towards international development. The potential for a QAA audit has encouraged many to ensure that their arrangements are 'QAA proof'; i.e. will stand up to external scrutiny. There has been a general trend to consolidate partnership arrangements around those overseas links where the institution has confidence in the partner and where the numbers involved make the arrangement financially viable. Although at first overseas activity appeared to offer opportunities for external fund generation, in reality the full cost of these developments lead institutions to reassess their commitments. Franchising and validating overseas did not necessarily provide the simple solution to funding shortfalls and in some cases greatly increased the institutions exposure to reputational risk. Now, overseas arrangements are generally grounded in clear strategic priorities, often supported by other educational activities and subject to close institutional oversight.

The China Project

During 2005–06 the QAA carried out its most ambitious programme of overseas audit activity to date; a review of UK higher education provision in the People's Republic of China. This was not the Agency's first visit to China – a small number of partnership links were audited in 2000–01 – but it was the first time that QAA has attempted to address the scale and complexity of the current pattern of activity in China.

The need for the Agency to review links in China had become more pressing. It is now, by far and away, the largest single market for UK higher education institutions in terms of partnership developments and the recruitment of overseas students. Although there have been some fluctuations in the recruitment of Chinese students, there remains massive potential for the future involvement of UK higher education institutions in the Chinese market. In 2004 the UK recruited approximately 20,000 students from China; for 2006–07 the figures are estimated at 80,000. Over the past five years the UK has been the principal country of destination for Chinese students (British Council Education UK Partnership 2005). The Chinese Government position is to encourage joint venture partnerships between Chinese and UK institutions, to allow Chinese students to benefit from the contribution of UK higher education. The Government is less keen on the promotion of students going overseas. Study in the UK is expensive and only benefits a relatively small proportion of students.

The planning for the audit included an initial call for information from UK institutions. These returns provide a significant database of current activity. In total, 82 institutions sent in returns identifying active partnership links in China, or programmes about to commence in 2005–06. This is roughly half of all UK institutions. These returns detailed 348 programmes and covered the full spectrum of types of partnership arrangement, including articulation and recognition agreements. In all, approximately 11,000 students are involved in studying on programmes that lead to UK awards, 3,000 of whom will complete their studies within the UK. All types of institution are involved and the links range from specialised programmes with small numbers of students to programmes with several hundred students, making up a significant proportion of the UK institutions' total student numbers.

The links are clustered mainly around the more rapidly developing urban industrial regions, Beijing, Shanghai and Guangdong province – although a few are located in the less developed parts of the country. The programmes are mainly in the areas of business and administrative studies, engineering and computer science, with newer developments in the creative arts, media and the social sciences. The greatest demand is for Western expertise in subjects that are of relevance to the rapidly developing Chinese economy.

The arrangements for the audit presented a number of challenges for the Agency, not just to do with the scale of activity, but also with the nature of the audit process itself. In order to provide coverage of the wide range of organisations involved, three separate teams visited different locations in China and conducted an extensive programme of visits to UK institutions. Also, in an attempt to gain a more comprehensive picture of current activity, QAA asked a number of institutions, not involved directly in the audit visits, to provide additional information about their arrangements. The intention was to draw on a variety of sources to inform a more detailed and comprehensive overview report of UK higher education provision in China.

This also reflects a changing emphasis in the nature of overseas audit activity. Previously the principal objective had been to provide evidence that UK higher education institutions were securing the standards of their awards when offered to students overseas. The focus in the China audit is on the brand of UK higher education more generally. The Agency acknowledges the need to provide assurance for the Chinese Government, students, employers and others that the standards of UK higher education can be guaranteed, wherever programmes are delivered and whichever UK higher education institution is involved. This responsibility was identified by the Department for Education and Skills in its report on UK education offered overseas, Putting the World into World-Class Education (DfES 2004):

The Quality Assurance Agency and the Adult Learning Inspectorate are already attesting the quality of…courses overseas. We will encourage the more systematic application of such procedures as part of our continued support for the sector in attracting overseas students and developing overseas links

Such is the level of involvement of institutions in China that adverse publicity about standards could have a widespread and damaging effect. At the same time, evidence of quality provides market advantage and facilitates further development in China. In this sense all institutions operating in China have an interest in the QAA's audit activities.

The main findings of the audit included evidence that UK institutions are managing their responsibilities for the academic standards and quality of programmes effectively and that students in China are receiving learning opportunities that are broadly comparable with experience in the UK. The procedures and practices that are in place are consistent with the expectations in the QAA Code of Practice and are adhered to by both institutions and their partners in China. A number of areas for improvement were also identified in the management of some of the links and these have been reported to the institutions concerned. An overview of the audit has been published by QAA which discusses current higher education developments in China and which highlights current good practice from the audit visits that can be disseminated more widely across the higher education sector (QAA 2006).

Discussion

The audit of UK higher education provision in China has raised a number of issues about the Agency's current approach to overseas audit. Does overseas audit fulfil its purpose and is it able to provide the assurance of quality and standards necessary to support the interests of UK institutions in overseas markets? If, as seems likely, the interest of institutions in developing international links continues, there will be increasing pressure on QAA to provide up-to-date and comprehensive information on the performance of institutions and, more generally, on the security of UK awards.

The move towards a greater emphasis on the overview report in the case of China highlights one of the benefits of remaining with a country by country approach. The systematic gathering of information from a wide range of institutions provides a useful evidence base to support claims about the quality of UK higher education. But this information loses its currency very rapidly. To be effective QAA will need to continue its activity in China with a regular programme of visits to different partner links.

In addition, this approach will not prove to be sufficient if the pace of development continues to grow. Overseas audit is expensive to conduct and time consuming for the Agency and for the participating institutions. It also fails to provide a sufficiently comprehensive view of how well UK institutions are looking after their responsibilities. UK interests are increasingly global and are likely to become even more extensive over time. It is not possible to visit countries regularly enough to maintain an up-to-date appraisal of UK standards in all parts of the world. Under current circumstances it would be difficult to operate a larger programme of audits without significant additional resource, and this begs the question of value for money. The returns from overseas audit are relatively limited in relation to the costs. An audit team will cover between three and six UK partner links on an individual visit. This is a very small fraction of the totality of UK operations overseas.

There is an argument that the Agency should focus its priorities on this area of activity. Evidence to date indicates that this is where the standards of UK awards are most at risk. Audit and review within the UK has highlighted relatively few issues of major concern and the UK has, through its external examining system, a mechanism for assuring the continuing security of awards. Overseas activity is more difficult to manage, often involves working with partners who are unfamiliar with the UK system and presents challenges of working within different cultures and systems of education. If the QAA were to adopt a risk-based approach to quality assurance it would devote its resources to making sure that UK institutions can guarantee quality at a distance and to protecting the standards of UK higher education in a global market.

However, this is a very expensive option and would devote the Agency's limited resources to reviewing a small proportion of UK higher education provision. There are other ways in which the Agency could provide evidence of the security of UK standards without an extensive programme of overseas visits.

One approach would be to dispense with the overseas visits and simply concentrate on the UK institutions. Overseas activity could be looked at in detail through the Institutional audit and review methods within the UK. The Agency acknowledges that institutions have a primary responsibility to assure their own standards. Audit and review could be used to enquire about the methods they have adopted to demonstrate that overseas links are being managed effectively. QAA could ask to see more evidence and possibly make contact with partners through videoconference links. Audit teams could also follow-up issues with overseas students studying in the UK. This may satisfy the general requirement for evidence of how UK institutions operate overseas; it is less likely to be of value in the context of individual countries, or for meeting the expectations of governments and other stakeholders. Institutional audits in England take place on a six-year cycle and cover a wide range of topics. Overseas provision may only form a small part of a larger report. Generalisations about how an institution manages collaborative arrangements may obscure the detail of what happens in individual countries and not go far enough to demonstrate the security of individual programmes.

An alternative model is to provide a service to institutions by certificating them to operate overseas. Institutions would apply to the Agency for recognition under the scheme. The Agency would devise a methodology for collecting evidence about each institution's arrangements for managing overseas provision and reviewing the effectiveness of its practices and procedures. A successful outcome would result in institutions being recognised as credible and assured providers of overseas programmes – a badge that would give them confidence to work in different countries and could potentially provide an advantage in competitive markets. QAA could demonstrate to state governments that its procedures were robust and that the award of certificated status to institutions was a sure guarantee that institutions were responsible and would deliver programmes that met the requirements of UK standards. To maintain currency, certification would be time limited and would require periodic reassessment by the Agency.

The scheme would have the added advantage of addressing concerns about transnational education and programs offered through distance learning and e-learning formats. A certificated provider could operate through a variety of different delivery modes and students could be assured that the standard of awards was secure regardless of when or where or how they chose to study.

Certification status could also in theory be withdrawn. If it was demonstrated that an institution had failed to fulfil its obligations under the scheme, QAA could be asked to carry out a review and assess the security of its provision. Certification would provide a set of standards for UK higher education institutions to adhere to and to demonstrate to potential students.

The difficulty with this approach is that, if generally accepted, the majority of UK higher education institutions would wish to receive certificated status straight away. Individual institutions would be left at a disadvantage if they had to wait in a queue until the Agency could process their application. Also it would place a significant burden on the Agency in the short run. Evidence of failure to maintain standards would not only reflect on institutions but also on the Agency's ability to carry out and maintain its certification arrangements.

This is one suggestion for tackling the question of how to assure the academic standards of UK awards in an increasingly competitive international market for higher education provision. The Agency's method of overseas audit has been effective in the past and has provided evidence that has changed practice within institutions and has secured the arrangements for managing overseas partnership links. These achievements should not be underestimated. UK higher education is generally well regarded for its quality and many thousands of students are studying for awards overseas that are of a widely recognised standard and well regarded by employers. But in a rapidly developing market for international higher education, this approach may not continue to serve its purpose. There is a need to explore other ways of providing assurance of standards that are acknowledged to be effective and which are manageable with regard to the capacity of quality assurance agencies.

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Quality Assurance for Transnational Education: A Host Perspective

Catherine Ip

Since 1997, Hong Kong has moved from a 'no regulation' model to a 'moderately liberal' model to regulate non-local education. The term 'non-local education' is more commonly used in Hong Kong than 'transnational education'. It refers to all cross-border education. In the rest of the paper, the terms 'non-local education' and 'cross-border education' are used interchangeably.

This paper begins by analysing how the current regulatory framework helps safeguard the quality of cross-border education, and how Hong Kong consumers are protected under the legislation. It also highlights the role of quality assurer played by the Hong Kong Council for Academic Accreditation (HKCAA). The latter part of the paper identifies the prevailing problems of non-local education in Hong Kong, and discusses possible effective initiatives to ensure the quality of transnational education.

Introduction

At present, there are more than 1,100 courses operated by foreign institutions in Hong Kong. The number of non-local courses is increasing especially since 2000 when the Hong Kong government introduced the Associate Degree qualification. Holders of Associate Degree are eager to enrol in top-up courses to attain degree status. The supply of local top-up courses cannot meet the rising demand. The gap is to be filled by non-local courses.

In a 2005 paper, Verbik and Jokivirta categorise the different approaches adopted by different countries to regulate transnational higher education in the article. According to their classification, Hong Kong now adopts a 'moderately liberal' model which requires that foreign institutions gain accreditation or other formal permission (e.g. licensing or registration) prior to commencing operations.

Prior to the introduction of the Non-local Higher and Professional Education (Regulation) Ordinance (the Ordinance) in June 1997, cross-border education in Hong Kong was not regulated. At that time, there was a strong belief that students are discrete consumers who can distinguish between good and bad quality. It was assumed that market forces were able to regulate the cross-border education and there was no need for any regulatory measures.

However, things did not turn out as it was assumed. In view of the prevalence of non-local courses being marketed locally and increasing public concern over some substandard courses and their lack of transparency, there was a need to provide greater consumer protection for local students. With effect from June 1997, the Hong Kong government introduced a legislative framework to regulate the quality, operation and marketing of courses of higher education conducted in Hong Kong by non-local institutions or professional bodies. Since then, Hong Kong has moved from a 'no regulation' model to a 'moderately liberal' model which requires foreign institutions to gain accreditation or other formal permission (i.e. registration) prior to commencing operations.

On the eve of the passing of the Ordinance, there were about 200 non-local institutions of higher education and professional bodies offering more than 520 non-local higher education and professional courses to over 20,000 students in Hong Kong. About one-fifth of these courses were offered in collaboration with local institutions of higher education. These courses range from sub-degree to postgraduate level, covering a wide range of disciplines including accounting, arts, business management, computing, education, engineering, law, nursing, and social sciences. The majority of these non-local institutions are from Australia, Canada, the United Kingdom and the United States.

Regulatory framework in Hong Kong

The objective of the Ordinance is to protect Hong Kong consumers by guarding against the marketing of substandard non-local courses conducted in Hong Kong. It also enhances Hong Kong's reputation as a community which values reliable and internationally recognised academic and professional standards.

- Registration requirement

The Registrar of the Non-local Higher and Professional Education Courses will approve the registration of a course if it meets the criteria detailed in section 10 of the Ordinance. The major criteria include:

(a) In the case of a course leading to the award of non-local higher academic qualification by a non-local institution,

  - the institution must be a recognised institution,
  - effective measures must be in place to ensure that the standard of the course offered is maintained at a level comparable to a similar one conducted by the institution in its home country, and
  - this comparability in standard must be recognised by the institution, the academic communities and the relevant accreditation authorities of the country concerned.

(b) As for a course leading to the award of non-local professional qualification by a non-local professional body,

- the professional body must itself recognise the course for the purpose of awarding the qualification or for the purpose of preparing students for the sitting of the relevant professional examinations, and
- the professional body must also be generally recognised in its home country as authoritative and representative professional body in the relevant profession.

- Exceptions

The registration requirement does not, however, apply to the following three types of courses, which can apply to be exempted courses:

(a) Courses conducted in collaboration with local institutions of higher education[i],
(b) Purely distance courses conducted solely through the delivery of mail, transmission of information by means of telecommunication (e.g. TV, radio or computer network), or sale of materials in commercial outlets, etc., but without the institutions, professional bodies or their agents being physically present in Hong Kong to deliver any lectures, tutorials or examinations, and
(c) Courses conducted solely by local registered schools or local institutions of higher education.

- Penalty

(a) Course operators conduct courses without registration or exemption are liable on conviction to a fine of HK$25,000 and to imprisonment for 2 years.
(b) Any person who publishes false or misleading advertisements on regulated courses or purely distance learning courses is liable on conviction to a fine of HK$25,000 and to imprisonment for 6 months.
(c) For those who fail to include the necessary information (e.g. the registration number or a statement that 'it is the discretion of individual employers to recognise any qualification to which the course may lead') in the advertisements in respect of registered and exempted courses, they will be liable on conviction to a fine of HK$10,000.
(d) A course operator who fails to furnish particulars of the premises three months before conducting the course commits an offence and is liable to a fine of HK$25,000.
(e) If a course operator conducts a registered or exempted course in the premises (other than those exempted premises) without the prior approval of the Registrar, he commits an offence and is liable to a fine of HK$25,000 and to imprisonment for 6 months.

The role of quality assurer

Although registration under the Ordinance does not on its own confer any particular standing to the course or comparability to a local degree programme, the registration /

exemption is an assurance that the foreign institutions offering the courses are recognised bodies, that effective measures are in place to ensure the courses offered locally and the qualifications obtained are comparable to those offered in the home country, and are recognised as such by the institutions, the relevant accreditation authority and the academic community in the home country.

Under the Ordinance, the Hong Kong Council for Academic Accreditation is named as the advisor to the Registrar of the Non-local Higher and Professional Education Courses to give advice on the registrability of those non-local courses which have applied for registration. The HKCAA assures the quality of non-local courses via two stages: pre-registration assessment and post-registration continuous monitoring.

<u>Stage one: pre-registration assessment</u>

The Registry of the Non-local Higher and Professional Education Courses forwards all non-local course applications to the HKCAA for assessment. As stipulated under the Ordinance, the concept of **comparability** is the guiding assessment philosophy. Indicators to determine comparability include admission standards, staff qualifications, teaching and learning processes, course content, quality assurance mechanisms, etc. Courses are recommended for registration when they in totality are considered comparable in standard to the courses offered at the home institutions.

In addition, the courses must satisfy other stipulated criteria, which include *inter alia*, recognition of the courses by the home institution and recognition by the accreditation authority in the home country, if applicable.

In the case of courses leading to professional qualifications, the criteria for registration relate to the recognition of the course by the professional body, and the recognition of the professional body in the home country.

The assessment conducted by the HKCAA is based on the criteria stipulated within the Ordinance, which emphasise comparability of the home course. Registration does not automatically mean that the course is comparable or equivalent to local academic standards accepted in Hong Kong.

<u>Stage two: post-registration continuous monitoring</u>

To ensure registration criteria are met continuously, course operators are required under the Ordinance to report on the course operation in the form of an annual return. Annual returns are submitted to the Registrar of the Non-local Higher and Professional Education Courses for scrutiny. Course operators are also required to notify the Registrar in writing of any change in course content or arrangement of payment and refund of fees within one month of such change. The Registrar will then seek HKCAA's advice on whether information reported on the annual returns and / or the proposed change(s) would affect the course registration criteria.

The information reported in the annual return includes course-end student evaluation which shows how well the course has been received by the students. Student profile reported in the annual returns suggests whether the course operator has recruited students according to the stipulated entry requirements or whether excessive exemption has been granted. By making recommendation to the Registrar on whether the course should be continued to be registered, the HKCAA is able to monitor the course quality after registration.

<u>Promotion of good practices</u>

The HKCAA has formulated a *Code of Practice for Non-local Courses* which intends to recommend good practices pertaining to the setting of institutional policies and the operation of programmes so as to ensure the quality of the programmes and the quality of the student learning experience. The *Code of Practice* covers the following areas:

- Institutional policy of the awarding institution and the local collaborative institution
- Programme approval
- Programme design
- Programme delivery, teaching and assessment
- Staffing
- Teaching / Student support
- Programme administration and promotion
- Quality assurance
- Collaborative arrangements

Strengths of Hong Kong's regulatory framework

<u>Better consumer protection</u>

Students who plan to enrol in any non-local higher academic and professional courses can verify the registration / exemption status of the courses by inspecting the Register of the Registered and Exempted Courses kept by the Non-local Courses Registry.

The legislation requires the course operator to refund the relevant part of a course in case the course ceases operation prematurely. To ensure courses are conducted in safe premises, operators of registered or exempted courses must furnish particulars of the premises and seek the Registrar's prior approval for use of the premises.

It is an offence to place an advertisement which contains false or misleading course information. An advertisement of a registered course should bear the registration number of the course. For an exempted course, it should be stated clearly that the course is an exempted course.

All advertisements of registered courses or exempted courses should contain a statement which reads 'It is a matter of discretion for individual employers to recognise any qualification to which this course may lead'.

Consumers are informed that the registration or exemption from registration of a course is an assurance that the institution offering the course is a recognised body. It also assures that effective measures are in place to ensure the standard of the course offered locally is comparable to that of the home course and is recognised as such by the institution, the relevant accreditation authority (if any), and the academic community in the home country.

More transparent course information

In addition to the web-based Register of the Registered and Exempted Courses which is available at www.info.gov.hk/emb/eng/policy/tertiary/highnprof/content.html, all annual returns are available for public inspection at the Registry.

Prevailing problems of non-local education in Hong Kong

Registered versus exempted courses

Subject to compliance with section 8 of the Ordinance, non-local courses conducted in collaboration with the local institutions of higher education are exempt from registration.

At present, there are 1,108 active non-local courses, breakdown of which is as follows (figures are as at 30 October 2006):

Registered courses	411	37%
Exempted courses	697	63%
Total	1,108	100%

The breakdown of registered courses and exempted courses by country is as follows (figures are as at 30 October 2006):

Country	Registered Courses	Exempted Courses
United Kingdom	47%	61%
Australia	34%	22%
USA	10%	6%
Mainland China	6%	9%
Canada	1%	1%
Others	2%	1%

The ratio between registered courses and exempted course is about 4:6. The number of exempted courses (697) is far greater than that of the registered courses (411). Some of the exempted courses are offered in partnership with local institutions which do not have self-accrediting power. Under the Ordinance, exempted courses are not subject to HKCAA's assessment. There is no external party to quality assure these courses, leaving them outside the framework of quality assurance.

This legislative arrangement creates an unintended consequence, that is, an uneven playing field. Foreign institutions in partnership with providers not on the exempted list have to go through stringent assessment processes by HKCAA before their courses can be registered in Hong Kong. As a result, many foreign institutions may choose an easier route by collaborating with institutions on the exempted list. Owing to the branding effect, students prefer enrolling in non-local courses offered by foreign institutions in partnership with exempted institutions. Course providers outside the exempted list feel themselves to be treated inequitably in this situation.

Annual return a paper exercise

Operators of registered courses must submit annual returns to the Registrar of the Non-local Higher and Professional Education Courses for scrutiny. The Registrar may seek advice from the HKCAA in verifying the annual returns. However, this kind of annual review is entirely a paper exercise. The whole exercise depends very much on the *bona fides* of foreign institutions and local partners. There is no alternative means to verify the accuracy of the information submitted in the return.

Factors leading to problems of quality

Throughout these years, the HKCAA has identified some common problems in the quality of non-local courses, which include lower admission standards, excessive exemption, less stringent graduation requirements, less qualified teaching staff, inadequate student supports, etc., when compared with the courses offered at home country. Possible factors leading to these problems are summarised by Wong (2005) as follows:

- Inadequate quality assurance mechanisms
- Unfamiliarity with or lack of understanding of local education systems
- Difficulty in obtaining local resources
- Insufficient understanding of nature of cross-border education
- Over-reliance upon inexperienced local partners.

In pursuit of an international quality strategy

For the past two decades, the volume of cross-border education has grown tremendously. It is high time that a joint quality strategy be developed to address the following policy objectives[ii]:

(a) Students need to be protected from the risk of misinformation, low-quality provision, rogue providers, bogus institutions, diploma mills and qualifications of limited validity.
(b) Qualifications should be readable and transparent in order to increase their international validity and portability.
(c) Procedures for recognition of qualifications should be more transparent, coherent, fair and reliable.
(d) National quality assurance and accreditation agencies need to intensify their international co-operation in order to increase their mutual understanding.

Key players in the transnational education sector are working at different levels to address the above policy objectives (OECD 2004).

At the international level

Joint efforts to formulate an international quality strategy have made some progress. UNESCO and the OCED have collaborated in developing the *Guidelines on Quality Provision in Cross-border Higher Education* which aim at protecting students from inadequate learning resources, low-quality provisions, degree mills and bogus institutions (UNESCO 2005). The *Guidelines,* released on 5 December 2005, were endorsed by 191 member countries of these two international organisations.

Though non-binding, the *Guidelines* will enable students to access reliable information on universities abroad or on foreign providers in their home country. In the absence of international regulation, the *Guidelines* will set standards for cross-border education. An analyst at the OECD remarked that, 'without such standards, receiving governments do not have the grounds to reject providers' (South China Morning Post 2005, P. E1). The *Guidelines* represent a concerted effort in safeguarding cross-border education.

At the national level

Some higher education exporting countries, like Australia, have paid special attention to the quality of courses delivered in other countries. In a Joint Ministers' Communiqué on 17 November 2005, education and training ministers across Australia agreed on a Transnational Quality Strategy framework to ensure the quality of Australian education and training delivered in other countries (MCEETYA 2005).

The Strategy (DEST 2005) provides good reference points for stakeholders in the cross-border education sector. The key principles of the Strategy are as follows:

(a) Providers and consumers should be able to clearly understand the accountabilities in the delivery and quality assurance of transnational education and training.
(b) Quality assurance functions should be effective and efficient.
(c) Courses delivered at home and off-shore should be equivalent in standard.

The Strategy focuses action in three areas:

(a) Better communication among all stakeholders,
(b) Increased access to data and information, and
(c) Strengthened national quality framework.

The Strategy provides a blueprint for quality delivery of education in other countries. If more education exporting countries follow suit, the prevailing quality problems identified above will be alleviated.

At the exporting end, quality assurance agencies, for instance, the Australian Universities Quality Agency (AUQA), have made it clear that the scope of quality audit covers higher education institutions' overseas course delivery and operation (DEST 2004; Woodhouse and Carmichael 2005). At the receiving end, more and more governments are working towards frameworks of various kinds to regulate transnational education (Verbik and Jokivirta 2005; Wong 2005). These are effective measures to quality assure cross-border education at the national level.

At institutional level

When reviewing the annual returns, the HKCAA notices that higher education institutions of some exporting countries conduct annual visits in Hong Kong. During these visits, the representatives of the foreign institutions are able to meet with students, teaching staff and the management personnel. The visits enable the foreign institutions to get the first-hand information about the course performance. The visits also provide an opportunity for the education exporting countries to address issues which fall short of expectation. This is a good practice for others to follow.

Conclusion

It is encouraging to see that there is a growing effort to safeguard the quality of transnational education at the international, national and institutional level.

Hong Kong has adopted a 'moderately liberal' model to regulate cross-border education since 1997. Although non-local course registration in Hong Kong does not on its own confer any particular standing to the course or comparability to local qualification, the registration / exemption is an assurance that the foreign institutions offering the courses are recognised bodies, that effective measures are in place to ensure the courses offered locally and the qualifications obtained are comparable to those offered in the home country. The regulatory framework also enhances the reputation as a community which values reliable and internationally recognised academic and professional standards.

Hong Kong alone, from the receiving end, cannot ensure the quality of transnational education. An international collaborative quality strategy is needed. Based on the experience gained through the years of regulating cross-border education in Hong Kong, the following ways are suggested to better safeguard quality.

Firstly, governments of receiving or exporting countries should promote and publicise the good practices embedded in the UNSECO/OECD *Guidelines for Quality Provision in Cross-border Higher Education*.

Secondly, receiving countries should actively participate in the quality audits conducted by foreign quality assurance bodies or higher education institutions, and work with them more closely. Similar visits take place in Hong Kong from time to time. However, Hong Kong has made little effort to capitalise on these opportunities to better safeguard non-local education. More can be done in this direction.

Thirdly, foreign institutions are encouraged to seek local accreditation of their qualifications, which is a rigorous quality assurance exercise to safeguard quality. Hong Kong has introduced a Qualifications Framework since 2004. All qualifications uploaded onto the web-based Qualifications Register must be quality assured. Foreign institutions can engage the accreditation service of the HKCAA if they wish to place their qualifications onto the Register.

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Notes

[1] These local institutions of higher education are City University of Hong Kong, Lingnan University, Hong Kong Baptist University, Hong Kong Shue Yan College, The Chinese University of Hong Kong, The Hong Kong Academy for Performing Arts, The Hong Kong Institute of Education, The Hong Kong Polytechnic University, The Hong Kong University of Science and Technology, The Open University of Hong Kong, and The University of Hong Kong.

[1] Consensus on these policy objectives was achieved through the UNESCO 1st Global Forum on Quality Assurance, Accreditation and Recognition of Qualifications (October 2002), the UNESCO / Norway Forum on Globalisation on Higher Education (May 2003) and the OECD / Norway Forum on Trade in Educational Services – Managing the Internationalisation of Post-secondary Education (November 2003). See for example Nyborg, P. 2005, 'European Co-operation in the Light of GATS Quality Assurance and Recognition: The importance of the Lisbon Convention', UNESCO Global Forum, 17 – 18 October 2002. Available at: www.see-educoop.net/education_in/pdf/bologna-lisbon-**gats**-oth-enl-t02.pdf

Accreditation of Transnational Higher Education Programs: Creating Greater Choice and Sensitivity

Martin Carroll

Introduction

Accreditation is a means by which governments strategically guide the development of their nations. For many developing countries, this strategic advantage is potentially compromised by the conditions that come with importing higher education programs. Findings from AUQA audit in respect of Australian universities' transnational higher education activities (see Chapter 7) however suggest two new possibilities for the accreditation of transnational higher education programs that may address this concern. These possibilities, derived from the Australian experience, are then tested against the Omani context as one means for assessing their feasibility. The possibilities presented here are likely to be controversial and do not represent the views of AUQA.

Australian universities are amongst the most experienced in the world in providing transnational higher education programs. The analysis of their activities provides a useful starting point for developing new ideas. Conversely, Oman has a developing higher education sector in early stages of systematisation, and is dependent upon importing both higher education programs and their associated quality assurance processes. As such, these two countries provide an excellent contrast by which to assess the proposed possibilities.

Each of the two possibilities counters currently accepted notions of transnational higher education program accreditation. The first possibility suggests that Australian universities could offer, in another country, programs which are accredited according to the standards and processes of that country but which differ from Australian standards. This defies the notion that academic standards are – or ought to be – internationally consistent. The second possibility suggests that Australian universities could provide transnational higher education accreditation services to countries which have not yet established their own robust accreditation systems. This does not accord with current Australian National Protocols for Higher Education Approval Processes (MCEETYA 2000), which do not permit Australian universities to accredit any programs other than their own.

Before considering these possible developments in transnational accreditation, it is necessary to consider the situation in some developing countries. It is the case that many countries in such regions as the Arabian Gulf and Africa do not yet have well developed academic accreditation systems. Also, they do not necessarily have well developed professional bodies capable of providing professional accreditation of programs or certification of graduates. So, from whence comes quality assurance of higher education programs in those countries?

One strategy used to build a higher education sector in such countries has been to import programs accredited in other countries. In countries like Oman, the majority of the sector is based on imported programs. This puts into sharp relief the scale and significance of transnational higher education quality assurance. An Australian institution may regard the academic credibility and financial viability of its transnational higher education programs as being dependent, in part, on its self-accreditation and transnational quality assurance processes, both of which are subject to external audited by AUQA. For other countries, their *entire sector* is dependent on the effectiveness of those processes.

First possibility: Australian universities offer some solely foreign accredited programs

Under current arrangements, Australian universities export their self-accredited higher education programs (as well as foundation programs and some other activities) to a wide range of countries. Protocol Four of the current Australian National Protocols for Higher Education Approval Processes requires that standards must be equivalent when the activity is undertaken by an Australian university or other self-accrediting institution's offshore campus, or comparable when undertaken through another organisation. This is further supported in the Australian Government's Transnational Quality Strategy (DEST 2005).

Australia has implemented a comprehensive array of quality assurance mechanisms to ensure that Protocol Four is upheld. However, external quality assurance of higher education can never be a substitute for quality provision. It can report on, commend and recommend provision, with any number of consequences, but it cannot *do* it. AUQA audits of transnational higher education activities have brought to light in an independent manner what providers have long known – that there are some areas in which higher education programs in developing countries have standards different to those in Australia, including commencing entry standards and English language skills, even when the programs are operated in partnership with Australian universities.

Another example is the availability of qualified and experienced academic staff. Countries with relatively short histories of formal higher education usually have few graduates available for the teaching profession (the scarce numbers of graduates are quickly snatched up by higher paying sectors). This means that underqualified/inexperienced teaching staff may be used, or that teaching staff are imported from countries at considerable expense. In the latter event, the importing country may not have the capacity to develop and implement robust systems for adequately vetting the qualifications and experience of the imported teaching staff.

Access to information and learning resources also affects standards. In some cases – although certainly not all – the countries with developing higher education systems are not well endowed with academic infrastructural resources, e.g. internet connectivity.

All of these areas impact significantly on the ability of Australian universities to offer transnational higher education programs at the same standard as their home courses. In some cases, Australian universities have opted out of offering their degree programs rather than compromise entrance standards or staff and resource quality. However, this also leaves the host country no better off in terms of higher education provision. Some of these countries, by their own admission, desperately need and are asking for help in providing higher education programs as a key aspect of their nation building. Moreover, they wish these programs to be offered at degree level, for reasons ranging from lack of detailed awareness of equivalency determinations through to a necessity to attract students and even a simple desire for parity of esteem.

Upholding Protocol Four is difficult to achieve. Perhaps it is not unreasonable to ask whether it *ought* to be achieved. Insistence that a country may only accept higher education assistance from Australia if the course meets standards determined by Australia could be regarded as an attempt to constrain that country's self-determination and limit their higher education possibilities. There may be another option, whereby Australian universities provide a degree accredited not under its self-accrediting powers, but by the foreign country in which they operate. The fact that Australian universities are self-accrediting institutions need not mean that they may *only* offer programs they have accredited themselves. Could Australian universities not provide degree programs accredited by external accreditation bodies, in the same way that non self-accrediting institutions do within Australia? The degree would still be from the Australian provider, although the academic transcript and the degree certificate would state clearly the accrediting body. The degree would not have an Australian equivalent.

This proposition can be deconstructed into three core issues. Firstly, can an Australian university offer a program it has not accredited itself, but that has been accredited by another valid academic accreditation authority (professional accreditation will not be considered in this scenario, as it serves a different purpose)? This is, in fact, a common model within higher education. For example, within Australia, non-self accrediting providers offer degree programs accredited through state and territory accreditation agencies. In New Zealand, the eight universities all have their programs accredited through the national Committee for University Academic Programs. Although a precise legal determination on the matter may be required, it seems possible that the self-accrediting status of Australian universities is permissive rather than exclusive; in other words, they *may* accredit their own degree programs but they do not necessarily *have* to do so (provided that any programs offered are accredited by an appropriate accreditation authority). If this is not the case, then the issue may benefit from reconsideration.

If it is accepted that an Australian university's degree program could be accredited by an external academic accreditation authority, then a second issue becomes whether or not that accreditation authority could be foreign. In some cases, this issue is decided for the university. Any program offered within a given legal jurisdiction must comply with the laws and regulations of that jurisdiction. Such laws and regulations vary considerably around the world. One scenario is germane to this paper, and that is where a local accreditation system does exist and can be applied to imported programs. This is one of the accreditation options currently available in Oman.

A point of confusion here is whether or not this involves accreditation of a program already accredited by another jurisdiction, such as was the case for the University of Wollongong's programs offered in Dubai (AUQA 2006, pp. 51–56). This can lead to a number of problems, such as requiring a program to meet two sets of conflicting standards, and confusion as to whether the award is one degree, a dual-badged degree or even two duly accredited degrees.

The third issue is whether or not it is acceptable and appropriate for an Australian university to offer a degree program that may not meet accreditation standards in Australia even though it may meet accreditation standards in another country. To answer this, one must engage in a debate about whom the program is intended to serve.

One assumes we can take a student-centred perspective. In the early days of Australian transnational higher education activity it was frequently envisaged that such operations would be 'feeder' activities, bringing students into Australia to complete degrees or undertake postgraduate study. That is no longer necessarily the case. Many transnational higher education activities involve students who are studying in their home countries (or countries other than Australia) and may never come to Australia for further study or work. Their needs are complex. One the one hand, these students no doubt desire a level of global competency and mobility. On the other hand, they may intend to reside and work in their own country indefinitely. Their needs, therefore, are for a level of education commensurate with leading expectations in their own country.

A fourth issue is whether such an approach would encounter difficulties regarding international mutual recognition. A simple answer would be yes. But that is not the whole answer. This is, politically, a difficult proposition. The international trend is towards mutual recognition based on equivalence. But it is important not to confuse national accreditation with international equivalence. The reality is that for some countries international equivalence and recognition is a long term plan. Having common qualification frameworks is but one aspect of having equivalent student learning outcomes. The journey for some countries to equivalence with other countries (Australia being just one example) is long and complex. This journey needs to be guided with a planned pathway, rather than by immediately demanding compliance with Australian or any other standards.

Under this proposed possibility, an Australian university may provide two degrees – even within the same foreign country – one accredited in Australia; the other accredited by the foreign government. The degrees may not be equivalent and subjects undertaken in each degree may not provide 100% credit transfer towards the other. In time, the university and the country in which it is operating could work to bring the two degrees to equivalency.

Although the current National Protocols do not allow for this possibility, new Protocols signal such an option, from an Australian importing perspective, by providing for a scenario in which an overseas university, whose country of origin accreditation status is not acceptable to the appropriate decision-maker in Australia, to apply to that decision maker to have a program accredited in Australia (MCEETYA 2006). In other words, that provider may have two degrees for a given subject – one accredited in its country of origin, and a second accredited in Australia.

It may be timely for Australia to consider the converse. Why not design a system that allows Australian universities to offer programs in accordance with different national accreditations? This proposal would allow Australian universities to provide higher education in countries that desire this form of assistance, without requiring exact equivalence or comparability.

Second possibility: Australian universities accrediting the programs of others

The current and revised Australian National Protocols for Higher Education Approval Processes (MCEETYA 2000, 2006) state that self-accrediting institutions may not accredit the programs of other providers. The revised Protocols, which apply to the offshore activities of all Australian higher education institutions operating in overseas countries state that 'universities and other self-accrediting institutions do not have the power to accredit the courses of other institutions. This applies even when a self-accrediting institution makes its curriculum and materials available to other institutions'.

During its audits of transnational higher education operations, AUQA has noted a demand from higher education providers in several countries to offer their own diplomas and degrees but to have those programs 'accredited' by foreign universities and/or professional bodies. In some cases, such as Oman, this demand from institutions is supported by that country's government.

The demand appears to be based on an acceptance of the generic brand strength of Australian universities and applies also to universities from the USA, UK and New Zealand. Education from these universities is accepted as being of an academic standard that, for some countries, requires little further by way of assurances. Indeed, in direct contrast to the accreditation possibility discussed in the previous section, the attraction of this possibility is based on the market demand for Australian standards to be applied, via accreditation services, in other countries.

Some audited Australian universities have sought to respond to this demand through such mechanisms as 'quality assuring' their partner's programs, for example, the University of

Queensland in relation to Sohar University in Oman (alluded to in AQUA 2004a, p. 38). Others have been 'validating' their partner's programs – a carefully chosen term with no precise legal definition within the Australian higher education system (the most common form of the term validation in AUQA audit reports pertains to the use of external reviews by professional bodies to lend credence to academic standards and/or graduate attributes).

The idea is not without precedent. Indeed, there are current examples, internationally, of universities undertaking such an activity (although the choice of terms used to describe the activities varies) such as the United Kingdom's Open University, which 'validates' the programs of other providers. Such examples seem satisfactory to the international higher education community. For the 'validating' institutions it constitutes a financially viable service directly linked to their missions. For the providers with 'validated' programs, it provides the necessary level of external credence for them to offer the programs to a confident public.

However, because of the restrictions imposed by the current National Protocols, AUQA has been critical of Australian universities publicly quality assuring or validating the programs of foreign providers (AUQA 2004b, pp. 29–31). Those foreign providers have used such activities to help promote their programs to potential students. AUQA has been concerned that such activities have the potential to confuse – even deliberately mislead – students as to the formal status of those programs.

Yet it is more difficult to argue that Australian universities could not provide effective and useful accreditation services for higher education programs offered in other countries. (For that matter, it could be argued that Australian universities could not provide effective and useful accreditation services for higher education programs in Australia. However, to do so would raise issues of conflict of interest based on competitive provision by the universities of higher education programs similar to those they are accrediting, not to mention jurisdictional debates with state and territory accrediting agencies.)

It may be time to consider allowing Australian self-accrediting universities to extend their program accreditation expertise to the provision of external – specifically, international – program (not provider) accreditation services. Indeed, Australian universities may be better equipped to provide external program accreditation services than many of the current alternatives. One advantage is the availability of extant and proven program accreditation processes, operated by qualified and experienced senior academic staff on faculty boards and academic boards. A second advantage is the ability to use those mechanisms to subject a program proposal to broad multi-disciplinary consideration.

The effectiveness with which Australian self-accrediting institutions' systems for external program accreditation maintain appropriate Australian standards (the only standards in which the institutions would have the appropriate expertise and mandate) would be subject to audit by AUQA.

The greatest advantage of this possibility is that it can assist countries which are struggling to establish their own higher education program accreditation systems. In the short term, or even as part of a longer term strategy, such countries could engage Australian (or other) universities to provide accreditation services. The demand for foreign academic accreditation services is well known amongst INQAAHE members, many of whom have been directly approached (and even engaged) in relation to such possibilities.

Conclusion

Program accreditation is not (yet) a universal mechanism for ensuring international equivalence. For now, its primary role is to provide confidence to a nation that the program meets the needs and standards of a given country. As such, and recognising that national higher education systems are in varying states of development, it may be useful for Australian universities to consider adopting a nation-centred approach to program accreditation – specifically, the nation in which the program is being offered. This is in contrast with, and in addition to, a transnational approach. While transnational approaches will remain important and are likely to grow in importance, there are program-importing countries potentially being left behind as a result of the insistence that their academic standards be that of the exporter, not the importer.

Embedded in accreditation are the values and principles of nation building. Therefore, accreditation must be an important higher education praxis, and not just a mechanical process. The purpose of this paper has been to contribute to that praxis by stimulating a debate about the ethical implications of current transnational higher education program accreditation. It proposes new possibilities designed to offer developing countries greater choice in how accreditation may be conducted.

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PART 2 AUDITORS' VIEWS AND AUDIT FINDINGS

Auditing Offshore Campuses – The Auditor and Auditee Perspectives

Colleen Liston

Introduction

The management of offshore programs by higher education providers in Australia is achieved through a range of models. These include: articulation arrangements whereby students in an organisation offshore are granted an agreed amount of advanced standing (recognition of prior learning) in an Australian degree program; twinning programs in which at least one year of the program is delivered offshore through a partner and the other years are delivered in Australia; and various collaborative and partnership arrangements where a partner offshore, with or without teaching visits from faculty from the Australian provider, delivers an Australian program on behalf of the provider; and offshore campuses. The Australian National Protocols for Higher Education Approval Processes (MCEETYA 2000) referred to below and elsewhere in this publication were drafted before the variety of arrangements for delivery of offshore programs was fully appreciated but are now being revised to broaden the scope of offerings.

This paper looks particularly at delivery arrangements at offshore campuses and the various perspectives that should be addressed by AUQA auditors and, through self-review and in written submissions to AUQA, by auditees (referred to in this paper as universities although other higher education providers are also subject to audit by AUQA). It draws on the processes used at Curtin University of Technology in Perth, Western Australia, in presenting the auditee perspective.

The auditor perspective

As a relevant starting point, an AUQA auditor needs to consider how the arrangements for offshore campuses fit with the requirements of the National Protocols. The appropriate Protocol is under Part 4 – *Delivery arrangements for higher education institutions involving other organisations*. Protocol 4.2 – *University operating in its own name* – is applicable where a university operates in a distant location and delivers its own awards. In this instance, students are enrolled by the 'home' university.

A particular requirement stated in the Protocol is: '*For overseas campuses the institution will be expected to maintain standards at least equivalent to those provided in Australia regardless of any specific requirements of overseas governments*'. Therefore it is important that the higher education provider is able to demonstrate that there are mechanisms in place to ensure that the infrastructure, facilities, teaching staff and services at the offshore campus are of a similar standard to those at the home campus. Furthermore, there should be evidence of cross-campus comparisons of outcomes, such as student pass rates, student satisfaction, staff satisfaction, grievance rates, student retention rates and semester weighted average scores. Verifying the evidence should be part of any AUQA audit.

Protocol 4.3 – *Operating through another organisation – award by university – students enrolled in university* is applicable and would require the auditor to assure that the conditions have been met by both parties – that is, the *principal and agent …have full responsibility for all aspects of delivery*, including: quality and standards comparable to other campuses of the institution; teaching by comparably qualified staff; adequate resources and facilities, and adequate protection of student welfare.

Another aspect of Protocol 4.3 is that it is primarily aimed at *partnerships*, but may be applicable to incorporated joint venture campuses (i.e. those campuses which are not merely a pure alter ego of the Australian university). Auditors would want to ascertain whether there is any real difference between the Australian university arrangements and the joint venture campus arrangements. This would assist in determining a trail to follow concerning documents, policies, practices, and systems in place at the offshore campus.

Protocol 4.6 – addresses the offering of awards which have been locally accredited by another institution, when students are enrolled in the other institution. Under this protocol, responsibility belongs to *the other institution…as if it was operating as an independent organisation.* In this situation auditors need to consider the following questions. Does this mean the end of any concerns by the home university? Would it be considered *ultra vires* for AUQA to enquire about any matters related to the operations of *the other institution* under an audit of the home university? What about a situation where the name of home university is partly in use? This would be a reflection on the Australian higher education system and should demand that AUQA include such operations within the scope of its institutional audits.

Whether an offshore campus of an Australian university is operating in partnership, through a joint venture arrangement or as part of the university, the special dimensions to be considered by an AUQA auditor, mindful of the Protocols, should encompass enquiries under the five headings of: strategy; students; staff; standards; and stakeholders.

1) Strategy

- Why was the offshore campus established? What is the university trying to achieve? Is the campus part of the home university's internationalisation strategy? Is the campus to be a feeder to the home campus in Australia? Is the venture focused wholly on revenue growth? Is there a motive for intellectual fertilisation and enhancement?

- What kind of institution is the offshore campus? Is it to be a teaching only arrangement? Will it be a mirror of a research-intensive home university? Are enrollments to be undergraduate only? Will the focus be on improving English language skills and providing bridging programs offshore? (McLean 2004)
- How does the campus fit into a multi-campus design? Is it to be one of the home university's branch campuses in a 'hub and spokes' model? Is the offshore campus on its way to semi-autonomy as part of a federation or network operating in association with the home university?
- What is the risk management strategy if, for contractual or other reasons, the offshore campus fails? Have exit considerations and plans for the duty of care extending to disaffected students and staff been effected?

2) Students

- Are students aware that they are enrolled at the Australian (home) university?
- Do students know all of the relevant policies and rules that apply to them?
- Do students understand that the home university has academic standards that are to be met and are they conscious of the implications of them not meeting those standards?
- Are students demonstrably benefiting from the value proposition advertised as being offered by the offshore campus?

3) Staff

- If academic staff are locally employed, are they also members of the home university's faculty?
- Do staff (both general and academic) have comparable salaries and opportunities for staff development and advancement (including academic promotion)?
- Is there an opportunity for staff exchange between the home university and the offshore campus?

4) Standards

- Are there policies and systems in place to ensure the comparability of learning, teaching and assessment?
- Is there evidence of equivalent academic performance, subject to quality of students on entry?
- Are the entry levels equivalent (including English language, unless courses/programs are offered in languages other that English)?
- If courses/programs are offered in languages other than English, are there sufficient policies, processes and procedures in place to ensure the equivalence of entry levels, course content, course delivery, resources (including library and information

services), assessment, examinations and feedback with those of similar programs offered at the home campus?

5) Stakeholders

- Who has governance responsibility for the conduct of the offshore campus?
- Does the governing body for the offshore campus/joint venture report to the governing body of the home university?
- Are all appropriate government approvals in place and are they maintained through cooperation with local and/or national governments?
- What arrangements are in place with professional organisations regarding recognition of qualifications and accreditation of courses (e.g. for accountancy, engineering, nursing, law, and other professional programs)?
- Has consultation been undertaken with potential employers and others who may provide work experience/internships for students at the offshore campus?
- Does the home university's students' association or student guild have interaction with students at the offshore campus?
- What is the reaction of the local community to a campus of a foreign university being located nearby? Are there mutually beneficial opportunities for community groups and offshore campus students and staff to interact?

The auditee perspective

In preparing for an AUQA audit, the auditee finds guidance through the factors for AUQA in determining whether to visit offshore collaborators, including offshore campuses, as described in Chapter 1.

Primarily, in establishing and maintaining an offshore campus, the home university should consider why it would want to do so. Is internationalisation part of the mission for the university? If so, why would an offshore campus be included in the international strategy? The issues (points for consideration and discussion) and risks (possibility of financial loss, damage to reputation, litigation and any other contingencies against which the university cannot insure) must be dealt with for all elements related to any international education operations, and particularly for a major endeavour such as establishing an offshore campus.

If the university can show evidence that it has established an offshore campus as part of its international strategy, it should also have established a regime for the quality management of the campus as one of its international activities. Similar headings to those used by auditors provide a convenient means of categorisation of key features of such a quality assurance regime.

1) Strategy

Any university which purports to embrace internationalisation should have a clear view and evidence of the efficacy of its ADRI – Approach (A), Deployment (D), Results (R) and

Improvement (I) –in managing the quality of any offshore campuses and other offshore relationships. At Curtin University of Technology, which was one of the first institutions to be audited by AUQA, a policy and procedures have been implemented to ensure quality management for any programs delivered offshore. Requirements include:

- Proposals for new campuses should be in line with the University's international strategy and approvals sought from the relevant senior manager – normally a pro vice-chancellor or deputy vice-chancellor responsible for international activities – and from a country/regional reference group before discussions can begin.
- Due diligence investigations should be conducted before establishing an offshore campus, then rigorous and regular financial reporting should be required by the governing body.
- A business plan, financial plan, risk management strategy, and quality assurance management plan should be completed and approved before a contract is executed.
- Annual reviews should be conducted for all collaborative operations.

2) Students

At Curtin University of Technology, a Curtin Annual Student Survey (CASS) is administered to collect data on student satisfaction at all delivery sites. Feedback from students obtained for courses and services delivered at the offshore campus has been generally positive, with exceptions in a few cases related to teaching staff in some areas and library facilities. Some students have provided feedback that offshore campus teaching staff are 'not of the same quality' as visiting University staff. Curtin works with staff at the offshore campus to effect changes based on student feedback.

3) Staff

Curtin's Policy on *Offshore Operations (Human Resource Management)* ensures equitable treatment of staff working offshore. Key considerations for the management of staff in offshore locations are:

Approach:	a)	Planning in communication with staff
	b)	Selection of the right partners is taken very seriously
	c)	Comprehensive contract management
Deployment:	a)	Development of policies and procedures for quality assurance
	b)	The specific standards and responsibilities of staff are established
Results:	a)	Reports are presented on the implementation of policies and procedures
	b)	Reviews are conducted on the human resources aspects
	c)	Feedback is sought from staff
Improvements:	a)	Changes are made based on review and feedback.

4) Annual Reviews

Annual reviews of offshore programs and campus operations must include information on:

- Contractual compliance
- Accreditation and recognition of programs
- Facilities and support for students and staff
- Quality assurance processes
- Quality and induction of local staff (and of home university staff who teach offshore)
- Satisfaction of students and staff
- Progress rates of students compared with those in similar courses at other sites
- Viability of the operation
- Enrolment numbers
- Financial statements.

5) International Self Assessment

The auditee should undertake a regular self-assessment of all of its activities, including their international partnerships and any offshore campuses. Curtin University of Technology has such a process which is undertaken at all levels of operation, using an ADRI method.

- Planning (Approach): Based on Curtin's vision, mission, values and goals, together with its Internationalisation Plan, the planning stage includes the development of divisional and school objectives and targets for international activities, including those in relation to the offshore campus in Sarawak, and agreement on procedures and provision of resources for implementation.
- Implementation (Deployment): Identification of activities that relate to the ways in which the plans, strategies, processes and infrastructure relating to the criterion statement have been implemented.
- Review (Results): Examination of the processes used to collect data and information to measure success against objectives and targets, and to validate achievements and initiating improvements through collection of data and information for onshore and offshore activities, including those at the offshore campus.
- Improvement: Articulation of those improvements which have been initiated relating to the criterion statement, as well as those which are being planned for the future.

Self-Assessment Criteria for identifying Risks and Issues for Offshore Activities

The criteria set out below, with a definition and the relevant performance assessment features, provide a guide to those engaged in delivering education services offshore, including offshore campuses. They are based on criteria developed by the author and used at Curtin from the year 2000.

Criterion 1 – Offshore Activities

Definition:

International educational arrangements require cultural differences to be taken into account.

Relevant Features:

1) Training and supporting home and offshore institution staff to operate in this context
2) Use of overseas staff, or others familiar with the culture, for advice, support, and teaching
3) Appropriateness of the course for the needs of the country
4) Suitability to the cultural milieu, with clear language and local examples
5) Adaptation of the content and mode of course, where necessary and feasible
6) Entry qualifications of students, especially language ability
7) Training of international students at all campuses and with all collaborators on the institution's culture/requirements (e.g. plagiarism)

Criterion 2 - Benchmarking

Definition:

Benchmarking involves establishing standards and examining other processes and practices, and measuring performance against those standards. As a result benchmarking aims at lifting and maintaining performance through adapting better processes and practices.

Relevant Features:

1) Ideas for improving processes gained from better or best organisations are utilised
2) Knowledge and experience are shared with others performing the same processes and practices that are critical to your success
3) Evidence exists that there is a focus towards efficiency and effectiveness to ensure that processes and practices are competitive
4) Evidence of improved planning for targets and the management of resources
5) Evidence of the establishment of the 'gap' between the institution's performance and that of other organisations to provide the opportunity of closing the 'gap'
6) Evidence of continuous improvement as identified by clients and through performance information.

Criterion 3 – Complaints and Grievances

Definition:

An effective complaints process is in place for international activities and is used by students, staff and collaborators at all campuses.

Relevant Features:

1) Provision of assistance to both staff and students onshore and offshore in the definition of harassment, the conciliation and resolution of complaints and the prevention of victimisation
2) Evidence of increased awareness onshore and offshore of ethical concerns in interpersonal relationships and the rights of individuals to freedom from harassment.

Criterion 4 – Setting up and Reviewing Offshore Operations

Definition:

The institution reviews its offshore operations on a regular basis with respect to the appropriateness of potential new collaborators and existing collaborators.

Relevant Features:

1) Procedures for judging whether the processes and educational environments of potential new partners are appropriate for collaborative purposes
2) Written agreement on the authority and responsibilities of the respective institutions, including objectives, resource provision, staff development, course evaluation, and communication channels, and provision for reviewing the agreement
3) The means for ensuring comparability of standards and parity of awards
4) Mechanisms for coordination with other systems and authorities, in the home country or abroad
5) Procedures for securing and using feedback from other program providers.

Criterion 5 – Student Support

Definition:

The learning assistance provided is comprehensive enough and sufficiently well-oriented to the needs of students to enable the institution to attract the students it wants and realise its teaching and learning objectives.

Relevant Features:

1) Support systems for international students onshore and offshore are well documented and students know where they can find such information
2) There are regular and systematic contacts with major sources of students, including agencies in specific foreign countries
3) Publicity material for prospective students at each campus or collaborator's site is clear and accurate, well-targeted and appropriately disseminated
4) Adequate provision is made for information and advice to new and returning students during application and enrolment
5) The admission and enrolment process is managed efficiently
6) The performance of students from different groups and backgrounds is monitored

7) There are meaningful indicators of the effectiveness of support services, including adequacy and responsiveness
8) Equivalent support is provided for offshore students through program coordinators onshore and at offshore campuses and international collaborators (including for local students who study abroad for a semester).

Criterion 6 – Feedback: Students

Definition:

Feedback obtained from international students and student associations on and offshore.

Relevant Features:

1) Feedback is obtained from students and student associations on teaching, services, facilities, etc. through staff/student liaison committees, membership of policy-making groups, and surveys (while avoiding survey overload)
2) Appropriate measures of student satisfaction are used
3) Exit interviews are conducted with a selection of graduating students
4) Admissions data are collected and accumulated to identify changes in student population
5) Longitudinal student assessment data are accumulated to monitor the impact of admission policies, curriculum changes, teaching methods, etc
6) Longitudinal reports are compiled on identified groups of students, particularly to provide comparative analyses across delivery sites
7) There are comprehensive records of student achievement and alumni destinations.

Criterion 7 – Feedback: Staff

Definition:

Mechanisms for taking account of the views of staff, teaching and researching offshore, in respect of academic matters e.g. programs, teaching, staffing levels and research.

Relevant Features:

1) Formal and informal mechanisms exist for staff to comment on quality assurance and other systems and their effects
2) Staff are encouraged and supported to identify and implement improvements
3) Service disciplines and areas actively seek feedback from 'customer' departments
4) Exit interviews are conducted with departing academic staff and senior support staff
5) Comments are sought from visitors and adjunct staff who have spent time at the institution either onshore or at an offshore campus
6) Opportunities are provided for staff onshore at the home campus and at offshore campuses to undertake exchange.

Criterion 8 – Feedback: Employers/Industry

Definition:

Mechanisms for taking account of the views of professional bodies and of employers.

Relevant Features:

1) The institution obtains feedback from major employers of offshore graduates to ensure the relevance of the program to the region
2) The level of national and international recognition of the institution's offshore campus graduates is monitored.

Criterion 9 – International Staff Development

Definition:

The context for international staff development is a staffing plan within the overall strategic plan, and a staff development policy that is based on the institution's Mission and Goals to ensure that staff are qualified, trained, supported for, and committed to, their respective tasks.

Relevant Features:

1) Learning support network/staff development unit and/or other programs are available for home campus staff, including those who teach offshore, and for offshore campus staff (e.g. cross-cultural awareness)
2) Local staff employed offshore to teach on academic programs are inducted into the home institution's policies, plans, processes and procedures as necessary
3) Needs of all staff for development are systematically identified in relation to all offshore and research requirements, e.g. induction, mentoring, feedback.

Criterion 10 - Outcomes

Definition:

Educational outcomes of performance at offshore campuses and through collaborations with international institutions are monitored, reviewed and analysed to establish possible improvements.

Relevant Features:

1) Performance indicators exist and their rationale, development, use, interpretation and reporting are understood
2) Performance indicators are used appropriately in assessing effectiveness in the achievement of educational objectives.

The auditee should undertake a self-assessment at both the home campus and any offshore campuses using the ten criteria to identify any gaps. Action should be initiated immediately to close these gaps and to demonstrate internally and to AUQA that the institution have recognised shortcomings and put in place means to mitigate them.

Summary

The following key points should be considered by auditees in relation to the management of offshore campuses:

- Know the reason why the campus was established
- It is important to conduct due diligence investigations prior to agreeing to set up a campus
- Include a carefully-constructed clause on *force majeure* in the contract
- Contract management is critical
- Put in place comprehensive and rigorous controls where courses are offered in languages other than English
- Regularly review and implement improvements
- Ensure quality management processes at offshore campuses align with each country's requirements.

The following quotes from Curtin's AUQA Audit Report (AUQA 2002) are worth noting:

> *The audit panel investigated in detail Curtin's QA provisions for its overseas work and commended the University for their rigour and the consistency between on- and off-shore quality processes. (p.10)*
>
> *AUQA commends Curtin for the very thorough, rigorous and effective process of quality assurance in place in relation to courses offered overseas. (p.11)*

Home country and host country regulation and assurance

The complications of joint and several AUQA and local audits need to be known to auditors and auditees (Liston 2005), and explored especially where there are divergent approaches or values. Quality assurance agencies world wide have adopted guidelines for the conduct of quality audits in an effort to work together more cooperatively (INQAAHE 2005). Where a higher education institution in Australia develops partnerships in a range of countries to deliver its programs, the different regulatory requirements become more extensive. If there is a partner in Malaysia (where Curtin University of Technology has its offshore campus), the National Accreditation Board – the Lembaga Akreditasi Negara (LAN) – standards and quality assurance accreditation apply to all courses, while Australian Universities Quality Agency (AUQA) conducts audits which include examination of, and often visits to, offshore campuses and partners. Many other host countries (although not all) have their own registration, accreditation or audit requirements for foreign higher education providers, and unsuccessful outcomes of these processes for the offshore operations of Australian universities have resulted the withdrawal or closure some programs.

Where there are registration requirements or quality audit processes which are not similar in each of the countries in which a university operates, because of a range of cultural differences and statutory requirements, the imposition on both may be extensive and expensive. Preparation of documentation and submissions in a range of forms under different sets of criteria can try the patience of even those least opposed to – and perhaps in favour of – attention to the quality assurance of providers and their programs of study. Of course the consumers, especially the students and potential students, should be the beneficiaries, but the former group at least can be subject to a barrage of surveys and interviews conducted by different governments and quality assurance agencies. In addition, for a range of professional courses, the regular cycle of professional accreditation reviews – usually every five years and often out of step with other audits and reviews – brings added responsibilities for feedback and paperwork.

Conclusion

There is plenty of evolution yet to come, and not only in relation to Australian universities setting up offshore campuses (Harman 2006). There is also evidence of changing organisational forms, through an influx of private transnational higher education providers with a more corporate structure, and quality assurance arrangements (UNESCO 2005a, 2005b). Weaknesses exposed in applying the Australian National Protocols when undertaking quality audits of transnational education have influenced their revision. The next round of AUQA audits will certainly include sampling follow-up actions undertaken by universities after the first round of audits. As there was a good deal of feedback on improvements which could be made to the ways in which some Australian universities managed their offshore operations, it will be interesting to see the comments made in AUQA's second audit cycle.

The global higher education marketplace is fiercely competitive. Quality assurance is a selling point, so the credibility of Australian universities' quality assurance arrangements must be protected in the global marketplace (Thorn 2005). Australian universities have a responsibility to ensure that they do everything to enhance Australia's good reputation in the delivery of higher education when they set up offshore campuses.

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Auditing Transnational Partnership Programs

Vianne McLean

Introduction

Auditing programs delivered in other countries brings to the foreground the most interesting and challenging questions about the meanings of internationalisation in higher education. There can be no simple checklist to guide an auditor through this process. To audit offshore means you will be challenged to think your way through complex and often contradictory issues.

For good reason, this is a topic of major significance for Australian regulatory authorities in higher education. Whilst we may be accustomed to seeing our own university as separate and distinct from every other institution, we are all part of a single national system and the system will rise and fall as a whole. When one Australian university puts its reputation at risk, we are all made vulnerable by that action.

University education is now one of the top export industries in Australia, but the belief that this is largely a matter of recruiting international students in their home nations, bringing them to Australia, and immersing them in our regular academic programs, can no longer be assumed. Recruitment, teaching and learning, and graduation now occur in a wide range of programs, with a diverse workforce, in locations spread across the world. Increasing numbers of international students undertake an Australian higher education without ever setting foot on Australian soil.

A basic typology of transnational partnerships in higher education

The focus of this paper is on auditing transnational programs, particularly those delivered with the assistance of partner agencies in other nations. Many different types of partnership exist and the diversity of delivery modes seems to be expanding constantly. Most can be captured however, in a three part typology:

- One of the oldest forms of transnational partnership for Australian universities is the **articulation agreement**. Such inter-institutional agreements smooth the way for credit transfers between a local partner such as a polytechnic or college – which offers a first level of qualification (often a diploma) – and an Australian higher level qualification (usually a degree). A decade ago, the second level of study would have been carried out exclusively at an Australian campus, but more recently, the upgrading program may well be offered by the Australian university in the student's home location.

These arrangements are useful for Australian universities because they provide a pipeline of students into the later phases of undergraduate degrees, they require a reduced volume of offshore subjects to be staffed (usually by fly-in staff from the Australian home campus or distance-delivered), and the partner agency typically is an accredited higher education institution with appropriate facilities and a ready made pool of suitably qualified students for ease of recruitment. However, universities that relied on this form of student recruitment to deliver large numbers of international students with advanced standing into Australian degree programs have noted worrying declines in international student enrolments as polytechnics and colleges located in other countries have upgraded their own standing to become degree granting institutions in their own right. This pipeline is narrowing.

- A second type of transnational partnership program is where **the degree is free standing** and fully taught by staff of the Australian university using distance education learning materials, Australian staff flown in for short periods, locally-hired academic staff, or some combination of these options.

  The role of the partner in this case is to recruit students and provide administrative support and facilities. Sometimes the partner may assist in the hiring of local staff, but the academic quality – the curriculum and teaching – are the sole responsibility of the Australian university. The partner for this type of transnational program may be a college but is more likely to be a corporation which acts like an education agent or broker, bringing program and student together in their facility.

  These students typically are recruited as individuals, so the marketing challenge is considerable, and whilst both partners share the financial consequences of unsuccessful recruitment strategies, this arrangement can be high risk for the Australian university if insufficient numbers are enrolled to ensure program viability. The Australian university also is reliant on the partner for the quality of market research – deciding which programs, which areas of specialisation, are likely to be in demand in this location – for determining appropriate advertising strategies, and often for the quality of the physical and virtual learning environment that is provided.

- A third type of transnational partnership is where an Australian university is contracted to provide a specific qualification for **a given cohort of students**. Often the client is a corporation, a large-scale aid-funded project, or a government agency. The scale of such projects sometimes requires a consortium of international universities rather than a single university, increasing the level of complexity for each partner. Elements of the degree content in such projects are negotiated with the partner (or funding agency) and this can lead to a more genuine level of collaboration between the international partners than the simple export of a predetermined Australian degree, as is often the case in other types of transnational partnership.

In the business sense, these arrangements can represent a lesser risk for the Australian university as the contract price usually is set for a given cohort size and is therefore is not sensitive to recruitment fluctuations. The business challenge is setting the price at a level sufficient to deliver a quality program, whilst still being competitive in what is an increasingly cut-throat international marketplace. The academic challenges remain significant, however. The Australian university must ensure entry requirements are maintained at a level sufficient for student success. The curriculum must be both rigorous and responsive to local needs. Academic standards must be upheld, despite the need for flexibility in application, and the staffing arrangements have to be sustainable for the duration of the degree.

Whilst these three basic types of transnational partnership may have some utility currently in understanding the range of approaches, new forms of transnational education – new blends of these approaches – are emerging constantly. In particular, partnerships between Australian and overseas universities appear to be increasing.

In the past, particular transnational liaisons often were built serendipitously as the result of an individual academic's networking. What eventuated were relationships that were limited to a single discipline area and, as these accumulated over time, even for one university there could be many partners in the same location, each program with a single disciplinary focus and a unique approach to delivery. As Australian transnational partnership programs mature, the 'let every flower bloom' approach should diminish: universities will consolidate their activities with a limited number of carefully selected partners and apply what they have learned about good practice in transnational education across all of their programs. The early transnational programs were in effect, cottage industries, which often operated outside of regular university procedures, sometimes uncontracted and unregulated. Those days should be long gone. Transnational education is now high stakes, high risk core business for most Australian universities and it is appropriate that this activity be placed under rigorous scrutiny.

Purposes

Fundamental to the transnational partnership audit is the question of purpose, and auditors would do well to carefully consider the following questions:

- Why is this Australian university delivering this program in this location?
- How well is this transnational activity integrated into the university's identity – its sense of itself and what it seeks to be for the future?

These questions at heart are conceptual and reflect positions that are not necessarily well understood within the university, by members of the university community either in the upper levels of governance, or by those actually delivering the program in an offshore location. For example, does the university have a clear sense of itself as being 'international' or 'transnational' in emphasis? How well do its mission and values describe its place in the world, in the community, in international terms? Is the offshore activity an 'add on' or is it an integral part of the university's sense of itself?

Universities' written rationales for establishing transnational partnership programs are sprinkled with 'moral high ground' reasons for getting involved, for example; bringing the benefits of a high quality university education to countries and communities that are not in a position to be able to provide it for themselves. But images come to mind of other waves of high-ground exports – missionaries bringing Christianity to 'the heathens', soldiers providing protection from aggressors and today's wave of multinational corporations claiming to bring jobs and improved lifestyles to the underdeveloped. All of these colonists of one sort or another arrived (and continue to arrive) in other nations flying the flag of the highest moral goals, but often driven by the much lesser gods of military conquest, religious domination and commercial gain. As a new wave of Australian educators arrives in other nations and as other contributors to this volume note, we would do well to heed Badley's warning about the dangers of 'intellectual imperialism' (2000, p. 247). As an auditor of a transnational program, you have to ponder how well the university understands its own purposes and goals in choosing to undertake the difficult, often high cost, and high risk endeavour of transnational education.

Promises

For prospective students in transnational programs, enrolment often represents a major life chance. The cost of an Australian higher education can be a huge investment for a family and it is important to consider what promises the Australian university may have made to these students or their sponsors, about the nature of an Australian university education and the benefits that may be expected to flow from it.

Students interviewed as part of a transnational audit process can provide important and deeply challenging insights about their rationales and desires for enrolling in an Australian university program offered in their home country. Studying at home is often not their first choice. They would prefer to come to Australia to study. But for many of them, the cost of living in Australia for several years is simply beyond reach and a transnational program is the only way they can undertake an Australian degree.

From the university perspective also, this may be the only delivery mode that can attract significant numbers of international students. There may be discipline-specific reasons to engage in transnational delivery also. For example, if Australian universities are to provide professional qualifications in fields such as education, public health and human services for employment in other countries, they will require strong local collaborations with government agencies, regulatory bodies, and employers, so transnational partnership delivery might well be a necessity in these fields.

So, from both university and student perspectives, whilst the ideal might be to offer programs only on Australian campuses, both sets of interests *can* be served through carefully planned and executed transnational partnership programs.

But rarely, if ever, can transnational partnership sites provide an experience for students that replicates that of the home campus of the Australian university. Many of the taken-for-granteds of life and learning on Australian campuses simply cannot be duplicated in offshore environments. So auditors need to be attentive to publicity material produced specifically for transnational programs. They need to ask how students are informed about programs, and what promises are made at the point of recruitment? What information are they given about likely destinations after completion of the program?

Practices

When auditors meet with students in transnational partnership programs, it is useful to ask about what was promised – and delivered. Auditors should check how well the university controls the production of publicity material for local consumption, for example. Monitoring the publicity activities of partner agencies can sometimes be quite a challenge for universities.

Auditors should probe whether the entry requirements are clearly stated and parallel those of the Australian version of the degree. It is possible for the university to be both flexible *and* rigorous, but no one's interests are served by accepting underqualified students who then cannot meet the academic demands of the program of study.

What are the students' experiences of admission and general student administration services? How are these services provided by university and local partner staff? Professional staff who manage advertising, admissions, examinations, enrolments, deferrals, fee payment, and all manner of support services, need to know their counterparts, so that student administration can be well handled. Delivery of high quality student services is challenging even within Australian campuses. These challenges are multiplied when the students (and perhaps some staff) are located thousands of miles away, and are working under different jurisdictions.

On Australian campuses typically there is a wide range of learning support services available to assist international students, especially as they are making the challenging transition into understanding Australian academic expectations and the use of English for academic purposes. When an academic program is being offered transnationally, with the assistance of a local partner, it is likely that students will have limited access to those services. So how will learning or language support be provided, for example? Perhaps the local partner will be contracted to provide this, or it will be delivered online from the Australian campus.

Similarly with library services and ICT support. How are the students provided with appropriate access to library collections and the learning support services they will need, to access and use them successfully? If a large reliance is placed on access to online resources through the Australian university library, do the students have access to the technology to get online and troubleshoot problems if all does not go smoothly? If the partner's library is seen as an important component of the learning resources, is the collection adequate? Has the Australian university evaluated it or contracted for the partner's resource collection to be strengthened?

Depending on the purposes of the particular university's transnational engagement, the auditor can look for evidence that that these purposes *are* being reflected in the university's practices offshore. For example, some universities claim that the presence of a transnational program is a strategy to enhance their internationalisation of learning and teaching. If so, *how* is this happening? For example, are there opportunities for Australian students and staff to spend time in the offshore program, and for students of the offshore program to spend time at the Australian campus? How many Australian-based staff actually teach in an offshore location and how are they supported to learn from this experience and help their home campus based colleagues learn from it? Developing 'globally-competent teachers', as Badley (2000) describes, is no mean feat. Transnational partnerships *do* provide a rich opportunity for Australian universities to internationalise both their teaching and learning practices, but these opportunities must be addressed very directly if they are to be realised. Otherwise, the transnational partnership programs can easily remain isolated from the university's 'mainstream' activities.

Meanings of equivalence

Issues surrounding equivalence in quality for programs offered both on Australian campuses and in offshore locations have been a matter of concern from the beginning of transnational education. It is not as simple as saying a program should be identical in all locations.

When the curriculum and the teachers have been exported from one country to another, they carry within them, sets of assumptions about both the content and nature of university teaching and learning. In transnational education, these assumptions may not be shared by the learners or more broadly, by the host society. Ideals about educated persons as actively engaged citizens also may not be shared across national borders. Further, the pedagogical constraints that emerge as a result of concerns about equivalence and contractual obligations make innovative pedagogical practices based on notions of citizenship, as described by Heath (2000), even less likely in transnational education than on Australian campuses.

Students in transnational programs interviewed by this auditor were unanimous in wanting a parchment that was seen as high quality by virtue of being Australian. The Australian branding was hugely important to them. But at the same time, they were critical of an educational experience that was perceived to be Australia-centric in content. In professional education programs especially, there will be content variations across nations, regions and jurisdictions that will need to be taken into account when the degree is taught transnationally.

There are academic decisions to be made about the 'audience' for a particular degree. Is it to be specific to Singapore, for example? Or to South East Asia, perhaps? Especially when professional accreditation is involved, the target audience or jurisdiction in which the degree is able to be used will need to be specifically determined in advance and clearly communicated to prospective students.

In some cases, students are quite visionary in terms of their learning goals. They are not seeking a qualification that is specifically Australian in content or a qualification that is particular to the country of their location. They are seeking a degree experience that is tailored to help them become citizens of the world. This is a vision which many would support – for our Australian students as much as for our transnational students. But understandings about what the degree is *for* need to be shared by both students and university staff.

Equivalence does not mean that home campus and transnationally delivered degrees must be identical, but it does require meticulous strategies for continuing to compare the quality of the degree across locations. So auditors should ask about the guiding principles or desired learning outcomes that have guided the overarching design of the degree and the ways in which various versions of the degree fit within the design. They should question the moderation of assessment between the Australian and offshore versions of the degree and ask about strategies to support ongoing developments throughout the life of the degree – in all locations.

In recent years, Australian universities have made progress towards clearly stating the learning outcomes expected from degree programs and are continuing to improve their assessment and monitoring of those learning outcomes as a part of their quality assurance frameworks. As further improvements are made in rigorously evaluating learning outcomes, perhaps these assessments will become the basis on which equivalency of programs can be judged, rather than auditors anticipating standard inputs to the learning equation. When universities can confidently warrant that a Kathmandu version of a degree has the same standard of learning outcomes as the same (or a similar) degree in Brisbane or Sydney, auditors might become more relaxed about differing program inputs.

Staffing arrangements

Transnational partnership education is demanding of staff. It is not as simple as a lecturer boarding a plane with a memory stick of presentations to be delivered in yet another lecture theatre. Transnational auditors need to be asking many questions about staffing – about the orientation Australian staff undergo before teaching offshore, and about the pedagogical and curricular decision making that tries to enhance the learning of this particular student cohort by customising learning activities in ways that are culturally or contextually appropriate.

There can be very good reasons why the Australian university might employ some local academic staff. Especially in professional programs, the involvement of local academic staff can help incorporate relevant local examples in teaching, address issues specific to the location and strengthen the credibility of the degree. Contact with local colleagues also can provide hugely valuable peer learning opportunities for the Australia-based academics who fly in, usually for short term periods. But care is needed to ensure the local staff are well qualified and that there is a high level of shared understanding about the overall design of the curriculum and pedagogy across the whole teaching team.

For this multinational academic workforce, the ideal would be a spirit of mutuality, where both Australian and local academic staff could work collaboratively, with parity of esteem, but this is not easily accomplished, given that teaching team members have such limited opportunities to get to know each other and to debate the current issues and possible directions of the program. Mutuality also can be hindered by the power differential that often exists among members of the teaching team. The ranking decision makers are usually the fly-in academics, and the local academics are more likely to be in the role of tutors, with a much reduced scope for decision making.

It would be ideal if local staff could spend some time teaching in the Australian version of the degree and if the whole teaching team could meet periodically to consider the program's quality and future directions, but given these programs typically operate on razor-edge budgets, such meetings are rare. The course coordinator is often the key – the person who visits the offshore location most frequently, knows the local staff best, and acts as the conduit between Australian-based staff and local staff. So it is essential that the course coordinator is very well informed and someone skilled in communication, both in developing good communication strategies across the teaching team and in terms of his/her personal intercultural communication skills.

Research

Much transnational auditing will be focused on teaching and learning programs, as this is the focus of most transnational partnerships. But teaching and learning is only part of what most universities do. Having a strong research profile is also a very important dimension of identity for many Australian universities, including those who are actively engaged in transnational education. So how *are* the research goals of the university played out for staff and students when the program is delivered offshore?

With a new Research Quality Framework pending in Australia, universities everywhere are probably surfacing and strengthening their transnational research partnerships, but at least for now, transnational research connections and transnational academic programs appear to be operating in separate spheres. If a university were to claim that it had fully integrated transnational teaching and research programs, for example, *that* would make for some very interesting audit conversations!

Community engagement

Lastly, transnational auditors also should consider dimensions of community engagement. Auditors are not likely to be experts in the particular cultural or regulatory environments of other nations, but they can probe the extent to which the university has deepened its own understandings of the local context, analysed the particular risks involved in this transnational operation, and put in place appropriate strategies to manage those risks.

Local professional advice is just as important in a transnational program as it is at the home campus. Auditors would do well to check whether the university has developed a strategic network of local/regional stakeholders who are able to provide strategic advice for the program. Are these stakeholder groups formalised as course advisory committees and is there evidence that their advice is seriously considered?

Many Australian universities emphasise the importance of their connections with industry, particularly in their undergraduate programs. Industry currency or readiness for employment is often included in statements of graduate attributes, for example. If this is the case, how is this high-level commitment being played out when the degree is being delivered in another nation? What is the university doing to help its offshore students find industry placements or internships, for example?

Where an Australian university is operating transnationally with the assistance of local partner organisations, it should be possible to look to the partner for local advice, negotiations with professional organisations and bilateral translations between the Australian system and the local regulatory agencies. Auditors are not empowered to audit the partner agency itself, but it is appropriate that auditors question whether the partner is appropriately contracted to provide such services and whether their deliverables are being carefully monitored by the Australian university.

Conclusion

Anyone involved in negotiating and operating transnational partnership programs understands the complexity, challenge and impossible timelines that seem to be an inevitable part of this arena. So compassion in auditors is undoubtedly a valuable ingredient. But transnational auditors also have to maintain a healthy scepticism; a ’show us the evidence’ stance.

Together, Australian universities will rise and fall on the strength of their shared reputation in these marketplaces. The visible presence of quality auditors and their conscientious questioning of transnational programs’ students and staff can only help enhance that reputation.

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Quality Assurance Issues in Transnational Higher Education – Developing Theory by Reflecting on Thematic Findings from AUQA Audits

Martin Carroll and David Woodhouse

Introduction

It has been said that 'Australia arguably already has the world's most extensive quality assurance system for transnational higher education' (OBHE 2005). This paper attempts to summarise some of the findings to date of that quality assurance system. It asks the question: how much variance can a quality assurance system tolerate in the overall learning environment before tangible differences in student learning outcomes are discernible? In particular, are transnational higher education activities just a logistical change that can be tolerated within the ambit of extant quality assurance systems, or do they require more fundamental change? These questions are addressed by considering, in aggregated form, issues that have arisen during quality audits of transnational higher education operations Australian universities and other higher education institutions undertaken by AUQA.

Our definition of transnational higher education (often referred to in higher education contexts as transnational education) reflects that in the Australian Federal Government's Transnational Quality Strategy (DEST 2005). It is worth noting in passing that some ambiguity in the definition used in the Strategy could be alleviated by reference to a cohort of students in a particular location. For the purposes of this paper, therefore, transnational higher education operations are those in which a cohort of students are studying programs leading to an Australian qualification (award or non award) or credit in countries other than Australia and in a manner which requires them to be physically present in a specific location. Such operations come within the scope of protocol four of the current Australian *National Protocols for Higher Education Approval Processes* (MCEETYA 2000) which requires that standards must be 'equivalent' when the activity is undertaken by an Australian institution's offshore campus, or 'comparable' when undertaken through another organisation.

Aspects of International QA

This paper draws on the reports of AUQA audits carried out over the period 2002 to 2005. The auditees discussed in this paper are self-accrediting institutions. This means that the processes for providing academic, public and political confidence that the programs of study are of an appropriate standard are embedded within the institution itself, rather than independently managed by an external accrediting body. AUQA's audit philosophy and method are applied concurrently to audits of institutions' transnational higher education and domestic (including distance education) operations.

Through its audits, AUQA has gathered a significant amount of information about transnational higher education operations. This has included identifying a number of issues which, while not in themselves necessarily unique to transnational activity, are not typically adequately addressed through a university's normal quality assurance processes. This is precisely because they occur through a transnational arrangement.

These issues can be grouped under a number of headings. Since 2003 when a grouping was first described (Carroll 2003), AUQA has variously separated out between 10 and 17 categories as its experience of auditing transnational activities has grown. This variation is indicative of the fact that the grouping is not a checklist, but just a way of structuring and relating the various aspects of transnational higher education. Inevitably, the categories overlap although they are not exhaustive.

The issues are presented in terms of evaluative questions and qualitative comment, rather than in terms of measurable dimensions or prescribed solutions, because it is not intended that they constitute a set of standards against which practice may be measured. AUQA recognises that there are many ways of achieving good outcomes in a given area (just as the sector is explicitly recognising and creating many pathways for students to graduation).

These issues are presented as issues worthy of close attention, whether one approaches the transnational operation from a provider, partner or auditor perspective. It should be noted that, in most cases, effective responses to the challenges raised by these issues are to be found somewhere within the Australian higher education sector. Where such practices have been verified by AUQA they have been recognised with formal commendations or positive comments in AUQA reports and, for those deemed potentially transferable and mutually beneficial, entry into the AUQA Good Practice Database (AUQA 2006).

Purpose and philosophy

First and foremost, it is necessary to gain insight into the overarching rationale behind the transnational higher education operation. Why is the institution in a particular country? There are several dimensions to this issue.

Methods of instigating transnational higher education operations include instances in which the transnational higher education operation was born from personal contacts between people in positions able to effect a formal relationship; instances in which the Australian institution specifically searched for a delivery partner in identified markets of opportunity; and instances in which the Australian institution was formally approached by a partner looking for a suitable degree provider. In the early days of Australian transnational higher education, these triggers were often mistaken for *reasons*. Now, however, the institution is more likely to clarify its reasons for the particular activity. The possible differences influence subsequent behaviour. For example, if the primary purpose is profit generation, there may be different pressures on the principal parties than if the primary purpose is for structured 'foreign aid'.

The genesis of the transnational higher education operation is therefore one indicator of rationale. Another is to consider exactly whose needs are being met by the activity. How were these needs identified, analysed and a response developed?

To address this question, it is useful to determine who are the aware and informed stakeholders. How do stakeholders recognise and act upon the need to have their interests represented in any fora associated with the transnational operation? How do they become sufficiently informed about the potential relevance (or irrelevance, or counter-productive properties) of a given curriculum to their context?

This issue can be explored more sharply. Does the institution assume that a solution developed in Australia will apply seamlessly to the new context? Based on what analysis? Does it desire the inculcation of an Australian view of the world? As Badley (2000) suggests, 'we need to be especially sensitive to the great danger of "intellectual imperialism" where we boldly export our academic products, avowed principles and operational processes, irrespective of their western origins'. In Australia, higher education programs are developed in response to national needs (including, of course, the international dimension of those needs) and by staff *in situ* who are linked into industry, employers, research organisations, community groups, schools, governments etc. How is this level of awareness and integration matched for transnational higher education operations?

Institution leadership system

Over the past five years, there has been a change in the organisational structures within institutions established to manage transnational higher education operations. There has been a growth in the number of senior executives whose position title includes the word 'international', such as Pro Vice-Chancellor (International). There has also been an increase in the number of committees charged with responsibility for approving and reviewing transnational higher education operations. A number of these are not committees of academic boards, and have their membership weighted towards business-oriented senior personnel. This may indicate the primacy of commercial interests in international activities and/or a prudent attention to major risk factors. It is certainly the case that these new structures have, in many cases, proven very effective in strengthening the institution's approach to managing risks associated with transnational education operations. Some tangible outcomes include improved due diligence and standardised partnership agreements.

The core characteristic of transnational operations is that they are means of helping students learn and achieve success at standards recognised in higher education. This means that there is a leadership role for academic boards or similar committees charged with primary responsibility for the academic affairs of the institution. In some cases, the concern for financial and corporate aspects, while essential, has worked to diminish effective academic input to the governance of transnational higher education operations.

Partner selection

Transnational operations most commonly involve a partner of some description, even when the activity takes the form of a whole campus. Partners vary in terms of both their form and function, i.e. the extent of their responsibilities in the transnational higher education operation. Partner organisations visited by AUQA have included: public universities; private universities; business partner providers; silent investors; and effectively-controlled entities, for example, a company wholly owned by the host institution itself. Not all necessarily have an appreciation of the pedagogies used by Australian institutions and the cultural assumptions and values that underpin the Australian institution's policies.

An assessment of the partner's experience can be complex. Some partners are universities recognised by their country or state; others may be continuing education arms of a university with little direct connection to the normal quality assurance processes of their parent university. Still other types of partner may have little or no experience in higher education. The form and nature of the partner may influence its behaviour and thus warrant greater or lesser attention to certain aspects of the overall quality assurance framework. While there is no golden rule for the choice of partner, the prospects of a successful relationship may be higher when the partner is an experienced higher education provider, whether or not it is an educational institution in its own right.

A second aspect is the nature of the partner's involvement. This ranges from silent investor through to operational management of student entrance standards, teaching resources and academic security. The nature of the partner's involvement usually aligns with the partner's form (in other words, a partner which is a higher education institution could reasonably provide teaching), and it is prudent to engage a partner to undertake activities that partner is experienced in providing.

These differences give rise to a third consideration: what degree of *control* does the institution have in respect of its partner? This is separate from the previous issue of what each entity is *doing*. The effectiveness of a quality assurance system is largely dependent upon the ability of the institution to implement that system, even when operational aspects of that system are in the domain of the partner entity. Again, an accurate determination of the degree of control requires close attention. For example, in some cases, the partner may be an entity controlled by the institution. Yet such governance control does not necessarily translate into operational control because of the ability of a company to manage its own affairs.

Clearly, the choice and involvement of a partner has a major impact on assuring the quality of the transnational education operation. The logistics of distance and the complexities of legal, cultural, capacity and capability differences between Australia and other countries mean that the relevant factors may not be clear, nor the relevant considerations be readily addressed. They require processes not typically required for domestic activities.

One of the processes most relied upon is effective due diligence. Given that partner organisations play a pivotal role in the education of students, it is reasonable that the 'home' institution undertakes careful checking of the ability of the partner to adequately and appropriately fulfill their agreed responsibilities for the expected duration. The actual practice of due diligence varies considerably, from assessment of a partner's financial viability through to communication with quality agencies and other entities the partner is involved with, and an assessment of the partner's organisational performance. Cautious institutions then explore means of addressing any problematic issues that arise.

In summary, the choice of partner, their responsibilities in the partnership and the means of controlling quality of education all require attention in the Australian institution's quality assurance system.

The agreement

Transnational higher education operations are typically guided by some form of agreement between the institution and the partner. Such agreements are crucial, because they specify what activities will be undertaken, what operational responsibility each entity has, and how quality will be controlled and assured.

AUQA audits have found that the level of detail in these agreements, and the effectiveness of systems for monitoring their implementation, varies tremendously. Throughout Australia, and particularly in those institutions experienced in transnational higher education operations, there has been a tightening of the corporate processes by which contracts are negotiated, drafted and signed. A typical agreement now includes detailed schedules for each separate program and fee structure. However, there are still some transnational higher education operations based on agreements that precede the current transnational higher education quality assurance processes of the institution. These legacy operations are progressively being either brought into the new processes or terminated.

The provenance of each agreement warrants attention. A senior executive of the institution should play a lead role in the formulation and finalisation of the agreement, and in addition those responsible for its implementation, should have an appropriate level of input in order to ensure that the agreement is feasible in practice. Some agreements, and particularly those dating back more than five years, were approved by a head of school or dean as the highest level signatory. This omission of the higher level of authority has sometimes meant that there was insufficient awareness of the pending transnational higher education operation within the institution, and that consequential planning, resource provision and operational involvement did not occur in a timely fashion. In some cases, the senior executive has not been aware of transnational higher education operations because they were negotiated, approved and enacted at departmental level. Yet, in the event of a problem, it is the institution as a whole which will be held to account, not just the department.

In terms of scope, the agreement ought to incorporate all the required provisions to effectively ensure appropriate quality of all of the activities of the transnational higher education operation. While most agreements treat financial issues well, provision for the ongoing identification, assessment and treatment of risks to the successful implementation of the agreement is more variable. Clauses pertaining to quality assurance of student learning, in particular, range from non-existent to comprehensive. The provisions most commonly found in agreements relate to whose curriculum will be offered, authorisation of teaching staff and moderation arrangements. Detail of these provisions is often lacking (e.g. 'all assessment undertaken by [partner staff] will be subject to moderation') leading to all manner of interpretation.

The nature of a written agreement, and the ability to enforce it within the nominated legal jurisdiction, sometimes takes second priority to the strength of the human relationship between the contact people at each end. In fact, both are necessary: a written agreement to ensure both parties are aware of their commitments, and a good relationship to ensure that they do it effectively and harmoniously.

The majority of transnational higher education operations are still young (say, under five years old), but some have now been in place for over ten years. Enormous change can occur in a short period of time in a rapid growth industry such as transnational higher education, so agreements should be reviewed and findings acted upon. The most effective systems have a regular review schedule and involve a wide range of people and data. The least effective systems encountered in audits either had not implemented a review (or were intending to, but were past their scheduled date) or constituted little more than an analysis of the operation's profitability.

Domestic quality assurance arrangements have not typically required this particular process because the institution is the provider. This is changing, however, with more and more students studying Australian programs in Australia but through partners of the institution, and similar considerations should apply.

Financial arrangements

It has been estimated that 'offshore students … provide significantly lower revenue and profit yields than onshore international students' (Heffernan & Poole 2004, p. 76). This suggests that there may be pressure on institutions to take additional steps to reduce costs associated with transnational higher education operations.

It is not inappropriate for quality auditors to enquire as to the financial viability of a transnational operation. While quality auditors are not financial auditors, it is necessary to determine whether there are adequate resources to achieve the stated goals and objectives.

Moreover, it is largely unhelpful to form judgments about the current quality – with associated perceived implications for the immediate future quality – without recognising any evident resource impediments to the sustainability of the activity.

When auditing domestic activities, AUQA typically explores the alignment of plans and resource allocation models. It can be difficult for AUQA (and even for institutions) to obtain full clarity about the financial state of transnational higher education operations and the alignment of resources to plans. Reasons include the complex transactional relationships between the institution, its partner and, increasingly frequently, other entities and also, in some cases, accounting systems that are not able to readily identify total costs, including indirect costs, of a specific program. Transnational higher education operations involve complex financial challenges such as determining cost and revenue shares, dealing with dynamic foreign exchange rates and regulations about repatriation of profits to Australia. These challenges may require the development of expertise and processes not typically associated with the resourcing arrangements for domestic higher education activities.

Host country approvals

Just as Australian higher education institutions operate within regulatory and cultural contexts in Australia, so do they when in other countries. Regulatory requirements may include approvals for the Australian institution and/or the local partner entity and/or the programs being offered. The nature of the approvals vary from *carte blanche* permission to offer Australian award programs (such as in the free trade zones of Dubai), to permission to operate contingent upon certain quality assurance conditions being met (such as in Singapore), through to a requirement for local accreditation of the award program of the partner entity (Malaysia), and even to a requirement for local accreditation of the Australian award program (such as in the United Arab Emirates). In other words, the self-accrediting status of the Australian institution does not necessarily transfer across national boundaries. Institutions need to be clear about host country requirements, but this is not always easy. Some regulatory environments can be unstable and, at times, unhelpful or even in conflict with the Australian quality system.

It is appropriate for an AUQA audit to determine whether or not all relevant local approvals have been obtained, just as the audits take into account other relevant external 'reference points'. Sometimes, audits detect failures to obtain all the necessary host country approvals, and this is a timely signal to the institution about its quality management system, which should incorporate compliance with all applicable regulations. If these are in a state of flux then it is essential to maintain constant contact with the applicable government entity or external quality agencies. Eventually, governments and external quality agencies may have mutual recognition agreements that will alleviate the pressures on institutions to comply with multiple and potentially conflicting regulations.

Student enrolment status and policy control

It is imperative that there be no confusion about precisely with whom the students are enrolled or what degree they will receive upon successful completion of their course of study. It is equally imperative that there be absolute clarity over which entity's policies prevail for particular issues. Transnational higher education students may expect to be entitled to the same rights and responsibilities as domestic students of the institution. Any exceptions must be formally approved and made clear. Relevant policies include plagiarism and assessment policies.

Sometimes the logistics of the transnational higher education operation demand procedural differences of such a magnitude that changes in the Australian institution's policies are required. Examples include the unavailability of an Australian-based ombudsman necessitating a different approach to managing student complaints, and time frames for the semester and for the submission, marking and return of student work having to be amended to reflect local conditions and the time required for moderation.

In practice, students often are subject to the policies of both the Australian institution and the partner, especially where the partner must meet host country requirements. There are also transnational operations where the students are enrolled with both the institution and the partner. In these cases, policies of both institutions in regard to matters such as the handling of student grievances and plagiarism should be examined and students advised of the policy framework that will be applied.

AUQA audits have found various examples of partner institutions implementing policies without the knowledge of the Australian institutions, especially where arrangements in respect of institutional policies are not defined in the agreement. For example, at one transnational higher education operation, students were not permitted to contact their Australian-based course coordinator and were obliged to route all communication via the partner. There is occasionally a suggestion that a partner may not wish the Australian institution to know of potential problems, as these could be embarrassing for the partner or may adversely affect future agreement negotiations.

In this context, the quality assurance task may include determining what policies the institution can delegate to the partner, and at what level, without relinquishing overall responsibility for the quality of the student learning experience. This will also involve effective systems for monitoring the implementation of those decisions.

Graduate attributes

In recent years most Australian institutions have developed or started developing statements of 'graduate attributes' (also referred to as 'core student learning outcomes', 'generic skills', etc), which are those skills and characteristics all graduates of the institution are expected to have developed. An analysis of the increasing prominence of graduate attributes in

Australian higher education (Carroll 2005) notes that some institutions include attributes that equip graduates to be effective citizens.

The development and inculcation of graduate attributes into students' learning experiences, and the subsequent assessment of their uptake by students, is a complex matter that is challenging the higher education community in Australia and internationally. The challenge becomes particularly interesting when applied to transnational higher education. If an institution declares the same set of attributes for all its graduates, and then educates some of its students partly or wholly abroad, the extent to which graduate attributes can be considered equally applicable in any cultural or geopolitical context or country must be considered. In fact, institutions may not be able simply to use the same set of attributes, as some countries require the inclusion in degree programs of mastery of the native language, an appreciation of local heritage, and understanding of the national religion. If such requirements are considered as integral to the approach to pedagogy, it will not always be a simple matter of adding modules of learning to a program of study – even though this may be a convenient or pragmatic solution. Furthermore, if any changes are made, the institution must then address issues of comparability and equivalence.

Thus far, AUQA has not found Australian institutions explicitly designing graduate attributes that will attend to identified developmental needs of countries in which transnational higher education operations are taking place.

Curriculum

An important audit question is whether the transnational higher education program is expected to be identical, tailored but equivalent, significantly tailored, or completely different, to its domestic version. Each of these classifications raises its own unique issues. Furthermore, staff within the institution may have varying ideas about which classification applies to any given transnational program.

Transnational higher education activities are mediated and moderated through various quality assurance processes, reports and interpretations between their manifestation 'on the ground' and their manifestation at the highest applicable level in the institution. A necessary feature of an effective organisational quality assurance system is that the highest level summary of the activity in question – used by senior executives for policy making purposes – is an accurate representation of the reality on the ground.

It is a requirement of Australian higher education institutions offering courses abroad that the courses be 'equivalent' or 'comparable' to the analogous courses at home. It is self-evident that they cannot be identical, and there is much debate over the meaning and interpretation of terms such as 'equivalent' and 'comparable'. The debate attempts to determine what is required to ensure 'equivalent learning environments' or 'the same learning outcomes (see for example the discussion in several papers at DEST 2006). Even within one country, equivalence does not necessarily mean that different groups of students are subject to exactly the same policies, but if there are different policies, the reasons must be clear, and must included the aim of a broader 'equivalence'.

In most instances, transnational operations involve the provision of a curriculum already being offered within Australia. Indeed, some countries, such as Hong Kong SAR, have this as a requirement. This has the advantage of facilitating assessment of the equivalence of program quality and student learning outcomes by having Australian and international comparators. However, it does raise the issue of how the institution determined that the curriculum is comparably relevant to the new context. Does the content have the same meaning in a different country?

It is reasonable, and common, for case studies to be changed to suit local conditions. For example, in the area of business studies Australian companies may not provide useful case studies for students in China who do not know of the company and may not be able to access information about the company as readily as Australian students. However, if the case study is changed to a Chinese company, will precisely the same concepts be able to be explored?

Programs which could present the most overt challenge to local mores and religious principles (for example, concerning gender politics or media studies) are typically not offered through transnational higher education operations in those countries concerned. Yet the potential for cultural interpretation of a curriculum that varies from the institution's intended interpretation is by no means limited to such topics. It is worth considering whether the curriculum has been adapted to be more culturally sensitive. From a quality assurance perspective, this gives rise to very important questions. How much of the content can be tailored before student learning outcomes will be substantially different? Would the institution even know whether or not the partner's teaching or tutoring staff are using different and culturally-specific interpretations within the agreed teaching plan? What aspects of an institution's approval processes for new programs involve consideration of issues which are potentially context-specific? Was the curriculum specifically approved for transnational delivery?

In some cases, institutions have been specifically invited to enter a country and provide programs in a manner as identical as possible to their provision in Australia. A responsible institution will investigate whether this is an appropriate request, and carefully explore the applicability of their teaching programs and methods to the transnational higher education context irrespective of which body has issued the invitation and under what conditions.

In other cases, transnational operations involve the provision of a curriculum specifically designed to meet local needs and therefore not also offered within Australia. In those cases, a number of tests for equivalence will not be available. However, the institution's process of program accreditation and review will still apply.

Processes of curriculum design, approval and review involve input and judgments by academic staff. Which staff should be involved in the design of transnational higher education operations? Some institutions argue that involving host country staff would undermine the program's status as an Australian program, while others argue that the local academic staff are best placed to help develop the program so that it fits into the local context. In most cases there is at least an opportunity for transnational higher education lecturing and tutoring staff to provide feedback to the course and program coordinators, and this input should be valued and used.

Related to curriculum development and approval is the matter of professional body approvals. Many transnational higher education programs are professional programs, such as those in the fields of nursing, teacher education and accountancy. While they may be accredited by the professional body within (or applicable to) Australia, such accreditation does not necessarily transfer to, and apply equally in, other countries. This is not always clear to students, who often examine the institution's website and sometimes find there that the program is accredited, without realising the limitations of that accreditation. The institution has a duty of care to its students that includes clarifying such matters before enrolment.

Processes for review of transnational higher education academic programs are variable, from no review through to thorough and regular review. In some cases, the transnational program is subject to a specific review using an approach formally approved by the Academic Board (or Faculty Board – depending on how the institution has organised its review processes). In other cases, the transnational version is included within the scope of the overall review of the program. If the latter approach is taken, it is essential that the transnational higher education version of the program was receive adequate specific consideration, through incorporating the views of partner staff, employers and particular attention to transnational student data.

In general, the quality assurance processes in place for curriculum development, approval and review must specifically incorporate transnational higher education operations.

Marketing and promotion

Transnational higher education operations are revenue-earning, so the concept of marketing is relevant, and market research provides information to assist with management of a transnational higher education operation. Marketing indicators used by Australian institutions typically include: assessments of the market size; the ability of the market to pay for the activity; the presence and effectiveness of competitors in the market; and the ease of entry into the market. Less common is investigation into the contextualised developmental needs of the society and potential educational responses.

Once design and marketing decisions have been taken, it is vital that the promotion of the transnational higher education operation makes students are entirely aware of the status and detail of the program. AUQA has found examples of inaccurate and poorly controlled marketing materials. Defects included ambiguous text, open to misinterpretation by the student, including ambiguity as to the precise accreditation status of the program. Some material has suggested that electives were available when, in fact, they were not. Since the students are not always highly proficient in the English language, especially at the time of their recruitment, this requires great attention to clarity. Text designed to cover an institution's legal liabilities needs interpretation for the purpose of *effectively* informing students.

As well, AUQA has encountered erroneous brochures produced by partner organizations, highlighting the question of responsibilities for promotion. There are a variety of practices ranging from materials being designed and produced by the institution but disseminated by the partner, to materials being designed, produced and disseminated by the partner with varying degrees of approvals by the institution – including none. Overall guidelines for good practice in publishing promotional materials would be helpful (some institutions already have excellent guidelines), together with systems for monitoring their implementation.

An important variable in considering the way transnational higher education operations are promoted is the language used. In many cases, promotional materials are produced in the language of the host country. This can be helpful, even if the language of tuition and assessment will be English, especially for students' families. However, the use of another language does present challenges to the institution in controlling the factual and semantic accuracy of the content of the materials. At least one university has an audit process in place for transnational education which reflects the requirements for international students in Australia of the Federal Government's *Education Services for Overseas Students Act 2000*.

Student entrance standards

Student success in higher education is affected by the learning skills and experience that students bring with them, so academic support – discussed below – must be tailored to student characteristics and needs. Even within one country, different groups of students may come from quite different backgrounds. Such differences, and their implication for student entrance standards, are brought into sharp relief with transnational higher education operations, especially if the same program is run in several different countries. With different countries, at different stages of development and with different education systems, it can be difficult to find the right measures of preparedness. Simple quantitative measures cannot necessarily serve as adequate comparators. It cannot be taken for granted that a student who has completed twelve years of schooling in one country will have similar learning capabilities as a student who has completed twelve years of schooling in another. Secondary schooling pedagogies, curriculum, resourcing and, consequently, learning outcomes all may differ, affecting a student's actual readiness for higher education.

Student entrance standards require even closer attention when advanced standing is provided, whether it is for recognition of prior learning or prior experience. Students want high quality programs, but also understandably may be keen to obtain the highest level qualification in the minimum possible time, especially when they are paying fees. The market in higher education means that there can be pressure to offer more advanced standing and/or cheaper program fees in order to compete successfully with are other transnational higher education providers, from a variety of countries. This has a powerful influence on behaviour. Reference should be made to the Australian Qualifications Framework and the AVCC Policy Guidelines on Cross-Sector Qualification Linkages (AVCC 2001) as benchmark policies on advanced standing provisions.

Student entrance standards and advanced standing provisions have both policy and practice dimensions that require consideration. At the policy level, it is relevant to ask how an institution's academic board has reconciled its transnational higher education program entrance standards not only with the manner in which the program is delivered in Australia, but also in the context of the other country. Many countries have established national bodies whose role is to determine the equivalence of units of learning for the purpose of recognition. These are excellent resources, but do not address all possibilities and still leave considerable room for professional judgement. The issue becomes even more acute when considering granting advanced standing into a program. One check might be whether the subsequent student learning outcomes, as measured through moderated course results, continue to justify the entrance or advanced standing provisions. If failure rates are higher than for the comparable domestic cohort then this may indicate that the entrance standards or advanced standing provisions are too weak.

The locus of control of the practical process for admitting students into transnational higher education programs varies. In some cases the Australian institution controls this process fully; in others, the partner has considerable delegated responsibility, including sole witnessing of original documentation (save, perhaps, for subsequent random sampling of original student records by the Australian institution). Some Australian institutions have set enrolment thresholds, and while it is sensible to offer programs only if there are sufficient students, such targets create perverse incentives to enrol students without paying adequate attention to whether they meet the required entrance standards. Wherever responsibility lies for implementing the institution's policies, it is essential that the institution have adequate quality controls on the admissions process.

As remarked above, entrance standards and subsequent student support must be aligned. For example, in the 'open learning' concept, whereby any person may enter into a higher education program, standards are lower than conventional entry standards. Yet open learning, although still mistrusted in some countries, is fully credible and has resulted in successful student learning outcomes. Effective pedagogy for educating students has evolved over a period of time as a result of careful and deliberate quality improvement strategies.

The importance of maintaining entrance standards is well-recognised within Australian higher education, and this attention must be carried over to the transnational higher education operations. Indeed, student entry levels are often used as a measure or institutional quality. However, as they are inputs into the educational process, and precede any value added to student learning by the institution, they are hardly valid as such a measure, although they may well reflect the reputation of the institution.

Language

The matter of language permeates all other issues presented here, as it is the medium through which they are mediated, and it entails a number of contentious issues. Most Australian programs being provided in other countries are being taught using English as the language of instruction and assessment. This raises the issue of the English language competencies of the students. Some programs are taught in other languages, which brings a different range of considerations.

International English language competency assessment models such as TOEFL and IELTS are commonly used, although some faculties in some institutions have eschewed these for their own models. While the concept of tailoring is commendable, it is unlikely that a home-grown model will have been able to benefit from the extent of development and testing that has led to the robustness of the other two tests. The designers of the TOEFL and IELTS tests provide advice on the preferred levels to be used for admission to different types of program, but the majority of programs use rather lower levels. Users are advised to specify levels in the four IELTS categories separately, but often a single average mark is specified by an institution.

For some diploma programs, an IELTS level is specified as an *exit* attainment, which immediately raises the question of how well the students can perform in the program as they embark on it with lower English competence. Also, there are standard estimates of the typical improvement in IELTS score resulting from a term of study in the English language, but not all students will achieve this level of improvement. Strict adherence to the specifications would see such students receiving a fail grade for the program, despite perhaps having achieved the academic requirements. This is particularly problematic if passing the diploma 'guarantees' entry into the third year of a degree program or 'top up' degree program. Such segmentation of degrees of courses raises more questions than simply English language levels, namely whether the totality of the program that leads to a degree after three years has the pedagogical nature expected of a degree. The universities that have addressed this issue most effectively have either used the generally recommended standards or have thoroughly integrated ongoing English language support with the overall curriculum and have means for monitoring student progress and intervening as necessary.

It is not always the case that all elements of the teaching and learning process are, in fact, being conducted in English. For example, local lecturers and tutors may provide assistance to students in their local language. This assistance may involve provision of additional readings, tutoring or even internal assessment. Where the internal assessment is conducted by the local partner, this may also be in the local language. While helpful at one level, institutions must consider how this will help prepare students to explain their responses to assessment tasks in the English language. A related matter is the availability of recommended and supplementary reading materials in English. In order to ensure students have what they need, an institution may provide all required readings. However, by reducing the students' need to independently source reference materials for their assignments, there may be an impact on the inculcation of independent student learning, which is usually a target graduate attribute.

A small but growing number of programs are being taught in local languages. This presents other challenges for the quality assurance system, including questions for institutional academic and faculty boards on how to independently and robustly consider a course proposal in a language other than English. Is it sufficient to delegate all consideration of the program or course to a small number of independent people –perhaps on the staff, perhaps not – with the required language competencies? It is certainly relevant to ask those entrusted with maintenance of the university's academic standards consider how marking and moderation will be managed. The role of an institution's academic board has traditionally been to facilitate a broad peer review, from a wide range of disciplinary perspectives, of program proposals against academic standards. This may be changing to a smaller, more discipline-specific internal accreditation system, the broader implications of which should be thoroughly considered.

The debate in Australia has recently focused on the specific matter of whether or not the language of instruction and assessment ought to appear on the testamur and transcript. Arguments in favour of this practice are compelling. Language competencies are perhaps an unavoidable graduate attribute, whether explicitly listed or not. Employers should not be misled in the attributes they can expect a graduate from an Australian university will bring to the workplace, including language skills.

Lastly, one must consider the role that language itself plays in student learning. The construct of a language is heavily value-laden and context-specific, and the exploration in higher education of conceptually intricate ideas is affected by the language/s of content, instruction and assessment. This needs attention in the transnational context, and is not a matter that typically arises in domestic quality assurance.

Teaching and the student learning context

A key element in any transnational operation is the quality of the teaching. It is essential that institutions are clear about the division of teaching responsibilities between the institution and any partner organisations. There is a variety of arrangements in Australian transnational higher education. In some cases, all teaching is conducted in blocks by visiting staff from the home institution. In others, these teaching blocks are supported by local tutors provided by the partner. Increasingly, lecturing and tutoring is provided by partner staff.

In almost every instance, lecturing and tutoring staff provided by the partner need to be authorised by the home institution. In practice, these approvals are not always based on a particularly robust assessment of the candidates. While the calibre of teaching staff in some locations would not match that of the institution's home campus, this can also be, in part, a reflection of the available skills in the specific location. Regardless of whether the teaching staff are employed by the institution or the partner, it is appropriate that they undergo appropriate recruitment and selection processes to ensure that the best available staff are appointed, and that they then undertake adequate induction and mentoring to prepare them for their teaching responsibilities.

Provision of suitable induction, mentoring and review to staff at transnational locations can be problematic. Some institutions have responded to this with carefully timed and planned visits by academic staff followed by regular email contact, but this is by no means universal. In other cases, it is the partner that conducts the induction, support and review, but this means that the provider has the difficult task of determining whether the teaching standards are comparable with those at the home campus.

If the program claims some form of teaching-research nexus, then it is appropriate to explore how this is given effect through teaching. Partner teaching staff frequently are not active in research or expected to be so. Opportunities to give effect to the teaching-research nexus are therefore limited to those which can be embedded into the curriculum and exclude those which might otherwise occur through the student-teacher interaction.

Teaching staff from the Australian institution should be prepared for a different cohort of students. The staff may be used to teaching international students in Australia, but teaching international students who have deliberately traveled to Australia to participate in a multiethnic Australian university classroom and be supported by tailored international student services is quite a different proposition to teaching, for example, students in an offshore classroom where it is the teacher who is culturally displaced, not the students.

The teaching schedule must also be considered, particularly the common practice of providing degrees conducted in semesters of shorter duration than in Australia, and using condensed teaching blocks over, say, two and a half days rather than two hours a week for thirteen weeks. The question of whether students are receiving a form of education equivalent to other forms and equally conducive to their learning must be continually asked and answered. Some students appreciate the ability to combine such study modes with other full-time commitments, such as employment, but other students feel that it denies adequate time for reflection and assignment work.

Lastly, institutions need to consider how the quality of teaching and its contribution to student learning is reviewed. The most common and tangible form of review is student evaluations of teaching. Nearly all Australian institutions have such evaluations, but they are not always applied to transnational higher education operations. At times, the employment of the teaching staff by the partner organization presents an impediment. It is of course necessary to remember that surveys which evaluate students' views of teaching conducted may have cultural specificities that affect the results and the comparison of results across locations.

In some transnational operations it is the partner who designs, administers and acts upon the evaluations (and may use the results in deciding whether to terminate the contracts of teaching staff). In other cases, the home institution does the evaluation, and in yet other cases both of the parties do it. Whichever approach it used, AUQA audits have found instances where the two organisations fail to share the results of student evaluations. This means that neither party has a full picture of evidence that is essential for quality assurance. Another necessary step that is often omitted is for evaluations to be aggregated and compared with the evaluation of teachers of similar courses at the home campus.

The student learning context should also be considered in the design and delivery of transnational higher education. For example, a number of transnational higher education operations have been designed such that access to library resources is entirely by the internet, even through they are in locations where the partner's and national information technology infrastructure is inadequate to allow for adequate access by students.

Assessment and moderation

A key aspect of academic quality assurance is the assessment of student learning. Transnationally, assessment raises a number of interesting challenges. The assessment regime for a given course is not always the same in the different countries and modes within which a course may be offered. In some cases, it is inevitable that students will not receive marked assignments back prior to the submission date for subsequent assignments, owing to time delays caused by postal services or the need for moderation. Concerns about the maintenance of academic security for examinations conducted in countries with different time zones can lead to different examination papers being prepared.

Differences in assessment are not inherently problematic. The key issue for quality auditors is not whether the assessment regimes are the same for each location. After all, it is expected that assignment and examination questions will vary from one year to the next, not only to keep pace with developments in the discipline but also to prevent students from simply preparing answers to pre-known questions. The key question is whether or not the assessment regimes facilitate equivalent student learning. There are a number of variables here that need to be considered, including who does the marking, whether assessment is moderated, and how this is done.

Firstly, if the assessment arrangements are different, then in what way do they vary and for what reasons? These are issues typically considered by faculty boards as minor or major course changes, and one might expect that the usual processes for approving course changes are followed for transnational higher education operations. It is reasonable to compare the academic results of students across the different locales. How are these comparisons made, and what action is taken in light of the results?

Invigilation is a significant issue when operating common examinations in different time zones. Students may have developed relationships with peers in other time zones through use of the internet, particularly through class chatrooms. This raises unique challenges that do not typically occur in domestic activities (although they could, given that Australia spans three time zones). There may also be cultural issues associated with academic security provisions including invigilation.

Perhaps the most common concern from students about assessment is the poor timeliness with which they obtain feedback on their work which is assessed during the semester. Some institutions have responded to this issue with processes specifically designed to speed up moderation to meet prescribed time frames. Such strategies include, for example, submission and transmission of all assignments electronically. Another example is to use a retrospective form of moderation, whereby student grades for that assignment cannot be altered, and the intention is more about guiding the marker towards improved marking practices next time around.

Academic support

In establishing a transnational higher education operation, institutions should consider conducting an analysis of the potential learning barriers and support needs of students, and developing an appropriate response. Perhaps the most obvious examples of academic support pertain to learning support services, computing services, the library and foundation programs. Each of these raises specific issues for transnational higher education operations.

The availability of adequate computing resources is a very tangible issue. While it is easy to measure, it is not easy to determine adequacy. There are no prescriptive Australian standards (other than in professional accreditation for certain programs) and there are many disparate ways of reporting on measurements. Nonetheless, in many cases, aspects of resource provision in transnational higher education operations, such as currency and number of personal computers, exceed those in Australia. However, difficulties may arise in ensuring that overall standards are maintained because of corporate boundaries between the institution and the partner. These standards include helpdesk availability and competency, backup and recovery and server security. While they may legitimately appear the partner's responsibility, the loss of student work or the lack of adequate support may directly affect student learning, which is the institution's responsibility.

The provision of library resources and services also presents specific challenges in transnational higher education. Transnationally, equivalence in terms of access to library services and resources is increasingly relying heavily upon the opportunities presented by the internet. In countries with less developed information technology infrastructure, especially in terms of bandwidth, this can be problematic. Also, students first require library skills. Most institutional libraries provide training over the internet, although for students new to higher education and studying in a second (or third) language, this may not be adequate. Some students endeavour to complete their studies without using the home institution's library because they find gaining access simply too daunting.

Australian universities have student learning skills units and, for those students with more obvious gaps in their preparatory studies, 'foundation' programs to support students with their entry into higher education. The value added to the student learning environment by student learning support services is increasingly being recognised within Australian higher education.

Students in transnational higher education programs face particular challenges because they are often studying in other than their first language and they are not embedded within the supportive infrastructure of Australian campuses. Where the partner is a university or large, well established entity, there is a greater possibility that institution students will have access to learning support units. However, in a number of transnational higher education operations, especially the smaller ones, there is little prospect of students receiving such support. An institution must ask itself whether the support services for the transnational higher education operation are as effective in responding to local needs as the support services at the home campus are in responding to home campus needs. This may require a formal process of evaluation.

Pastoral support

The relevant question in relation to pastoral support for transnational operations is not whether there are exactly the same support functions at the transnational location as at the home institution, but whether the support is adequate and appropriate. To this end, the institution should have conducted a support needs analysis and implemented appropriate responses. In practice, audits find this is typically overlooked, and the assumption may be made that because the transnational students are in their home countries and therefore do not need much support. This argument does not stand up to scrutiny. Australian students are in their home country when attending Australian universities, and yet they are well supported. Moreover, a large number of students studying offshore through transnational arrangements are, in fact, not in their home countries.

Offshore campuses

There is a small but growing number of Australian universities with campuses in other countries. Many of the issues addressed in the above framework apply to offshore campuses and will not be reiterated here. However, there are some issues that are particular to an entity that represents itself as a ‘university campus’, as opposed to simply a provider of higher education programs, perhaps through a small partner organisation. Such a designation implies a broader mantle of responsibility than simply teaching courses. Local industries may reasonably expect that they can interact with university staff to explore joint research opportunities; employers may reasonably expect that they can interact with university staff to explore curriculum development opportunities that will produce the type of graduates needed in that region; schools may reasonably expect that they can interact with university staff to explore effective recruitment processes, innovative pathways or academic counseling for students; community leaders may reasonably expect that the university will be a noble member of the community, providing employment and generally being a good corporate citizen. In countries with developing higher education systems, families may reasonably expect that they can interact with university staff to explore what the university is about and how it will impact upon them.

Meeting these expectations requires some permanent full time academic staff, capable of research and curriculum development and available for such interactions. It also requires a strategic approach by the university to community engagement. Where a university has or establishes additional campuses within Australia these are major considerations. New campus development is typically preceded by exhaustive community consultations, and it is common for the campuses themselves to have community-based advisory boards. Transnationally, however, this is not always the case. These are matters that require a higher level of attention than a program or partnership quality assurance system can provide. They require that the university's institutional quality system, which encompasses the strategic planning process, explicitly accommodate such issues.

Discussion

Education historian James Bowen (1972) has suggested that the higher education has two roles in society: to maintain and strengthen social mores and practices, and conversely to challenge the status quo by developing new knowledge and encouraging new practices. The respective dominance of each role during any particular age has alternated throughout history and has been indicative of the prevailing paradigm.

Today, the role needs to be interpreted in a new context – a competitive commercial global marketplace facilitated (even driven) by new, affordable and fast technologies for information management, mass communication and transportation of people and products. Universities are increasingly required to diversity their revenue streams and to reduce their dependency on the public purse. Transnational higher education potentially provides one large source of revenue. The strong global reputation of Australian higher education, combined with Australia's considerable and growing expertise in teaching via a variety of methods, means that Australian institutions have been very well placed to tap this source. This has, however, also raised new challenges, for the pressure to attract revenue from transnational higher education operations is a major influence on organisational behaviour. In some cases this can be seen at the level of specific agreements or the activities of individual staff, and in other cases it can be seen at institutional level in the creation of new institutional systems and structures.

There is increasing use by institutions of private corporate arms to manage their transnational activities in a commercial manner. Partnerships with private partners managed through trusts and private commercial entities are likely to provide less transparency than traditional domestic activities. The need to consider the commercial aspects of the relationship means that academic matters are no longer the sole consideration, and in some cases transnational higher education operations are run primarily as a 'commercial' activity rather than an 'academic' activity. This can mean a less central role for entities such as the academic board that have been charged with maintenance of academic governance and quality assurance. This in turn can place the maintenance of academic standards under strain, and the quality assurance arrangements for transnational activities in Australian universities range from excellent to poor.

Commercialism as the context for growth in transnational higher education is seen by some people to be problematic, suggesting that these new clothes do not yet fit the sector comfortably. Indeed, some of the new behaviours that are emerging are not easily explainable using traditional understandings of higher education, and may even lead to nervousness, embarrassment and secrecy.

This is not to suggest that such new behaviours are necessarily inappropriate. The past ten years have seen some spectacularly successful transnational education innovations. Rather it suggests that the new behaviours are generating the need for a reconsideration of higher education's contextualised role and associated quality assurance systems. Higher education is a construct in which the method of delivery, which is heavily influenced by its context, is inseparable from the quality of the outcome. Students do not suddenly learn at the end of their program of study, but continuously and iteratively during their participation in that process. If the context is significantly changed, then the nature of student learning may also significantly change. This warrants the sector's utmost attention and open discussions.

Such discussions must move beyond debates about process design, as one often sees at conferences on quality assurance, and focus on the paradigm within which transnational higher education operations are occurring. What roles should transnational higher education operations serve; decided by whom; and guided by what values? For example, there may be scope for nationally-set standards for Australia's transnational higher education operations. Yet that debate will be hotly contested by those who would argue – with some reason – that inappropriately designed standards may encourage a uniformity of higher education not conducive to its potential role as an agent of social change.

There may also be scope for thinking less in terms of Australian education overseas and more about locally-relevant education provided by an Australian-based university. In this new environment do we run the risk of confusing globalisation, facilitated by various technologies, with an acceptance of standardised learning systems based on universal truths and values? Such a position brings into sharp relief the methods by which we seek to ensure 'equivalence' of student learning outcomes. These methods are still heavily influenced by notions of 'identicality' such as common curricula and centralised examination marking. Australian transnational higher education operations are often in countries with developing higher education systems because the opportunities lie in taking something Australia has to countries that do not have it. What then does 'equivalent' mean in terms of the particular needs of a society?

The intention of this paper has been to provide a useful collection of issues, based on audit experiences accumulated thus far, that warrant particular attention when designing, implementing and auditing transnational operations. As AUQA has considered the issues outlined above, it has found both opportunities for improvement and instances of excellent practice.

Since the early 1990s, there has been major growth in Australian transnational operations, but recently there has also been significant retrenchment of non-viable or poor quality activities as institutions have carried out thorough reviews and reconsiderations of their overseas activities. There have also been concerns about publicity relating to poor quality operations having a wide detrimental effect on the market (Bohm 2003). That such retrenchment is occurring ought to be viewed in a constructive light. Most early growth in the 1990s was *ad hoc* rather than managed through carefully coordinated university processes. This is changing quickly, although the change process is rendered complicated as universities establish systems for new transnational operations while still managing legacy operations. Many universities now find themselves in a position where some of those legacy operations are not able to be transformed to align with the new, more robust quality assurance arrangements. It is entirely reasonable that such activities should be closed down.

There is, however, the matter of the quality of the exit. The manner by which a university closes down programs and relationships with students and transnational partners carries both legal and reputational risks. Whereas formal agreements by which transnational operations are established normally have exit provisions, this is not always the case for older operations. Given that exits do happen, and will continue to happen, universities must ensure that a process exists which will attend to all dimensions of such an eventuality.

Once this period of retrenchment has passed, the remaining transnational higher education operations should be guided by carefully planned and regularly reviewed and refined quality assurance processes. Examples of good practice are becoming plentiful, and any poor quality operations will be increasingly evident and at risk of failure.

Conclusion

As Australian institutions enter a mature phase of transnational education, it is to be expected that quality auditors will raise the bar. This is a sensitive area. Universities are increasingly dependent on transnational activities for revenue. AUQA shares and must be sensitive to this concern, whilst also not compromising its audit responsibilities. The dilemma is that a negative audit report could seriously damage the international attractiveness of Australian higher education. On the other hand, a ‘soft’ audit report does the institution, Australian higher education and, most of all, the students no favours by allowing poor practice to be perpetuated.

This paper has focused on transnational higher education operations and contrasted them with traditional operations encompassing domestic and distance education modes of study. It has argued that there are issues particular to transnational higher education operations that require specific attention from a quality management system. However, the paper does not propose one quality management system for domestic, internal mode education and a second, albeit complementary, quality management system for transnational higher education operations.

An analogous situation pertains in other approaches to education, such as distance education, online education and industry-based education. For example, the Executive Director of U21, an e-learning degree provider, makes a similar argument that traditional quality assurance systems do not adequately attend to the particular features of e-learning (Spinks 2006). But he also notes that the UK Quality Assurance Agency makes the following statement:

> *Recent developments in learning that use information and communications technologies ('e-learning'), have given rise in some quarters to the belief that this approach requires an entirely separate and distinct form of quality assurance. While it is true that some technical aspects of e-modes of learning do require particular ways of meeting specific challenges, it is nonetheless also the case that most of the questions that need to be asked, and answered, about academic management are common to both e-learning and other FDL [flexible and distance learning] methods, and may be considered under the headings of delivery, support and assessment. The Agency has therefore decided not to prepare separate guidance on the quality assurance of e-learning…* (QAA 2004).

At the most abstract level, it is indeed the case that all higher education quality assurance systems seek to ensure that the quality of student learning outcomes is of an appropriate standard, irrespective of the situation in which the learning occurs. In order for a quality assurance system to be effective it must be designed and operate at a detailed level, and in so doing will need to address variances in student learning situations. Transnational higher education operations involve a complex and changing array of specific issues that require close attention. A number of particular issues have emerged which suggest that, generally, a university's usual quality assurance systems designed for domestic operations require modification in order to effectively encompass transnational operations. In other words, quality assurance systems for higher education are not necessarily universal, but rather, are developed to address particular situations. This also implies that Australia should not design its quality systems for transnational higher education in isolation, but ought to engage in bilateral talks with other countries in order to reach agreement what is and is not possible for Australian institutions in other legal jurisdictions.

A review of transnational higher education operations also raises more searching questions. By virtue of their multinational impact, these operations require higher education providers, external quality agencies and policy makers to engage in higher order discussions about the role of those activities in local, national and international development.

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