



Impact of International Trade of Higher Education on Universities' Performance

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Abstract

The central theme of the research work was to examine the impact of International Trade of Higher Education (IToHE) on universities' performance. The nature of the article was descriptive; as a consequence, the data of the study was assembled by means of survey and interview. The targeted population was comprised of all BS, MS, PhD students, faculty and administration from all general public universities of Punjab, which were included in the HEC ranking in 2015. The purposive sampling technique and multiphase strategy were applied to specify the sample. Data was collected via two research instruments. To assemble quantitative data, a questionnaire was planned on six factors, i.e. Leadership role (LR), Quality Teaching (QT), Research (R), University Ranking (UR), Community Perception (CP) and International Trade of Higher Education (IToHE). According to the triangulation result, findings illustrated that Academia should do productive work instead of producing passive labor. The study recommended further researches in the field of cross border mobility and its role in university, society and country development.

Key Words: Mobility of Teacher/Students, Internationalization of Higher Education, GATS, Brain Drain, Global Trade, Global Citizen, University Ranking, Quality Teaching

Introduction

Borderless education is a term firstly introduced in an Australian report by [Cunningham and Training \(1998\)](#). Mainly, the word talks about the disappearing of intangible geographical borders for higher education ([CVCPC, 2000](#)). It is attention-grabbing to compare the term of cross-border education and borderless education. The first term emphasizes the existence of borders while later acknowledges the disappearance of borders, but both approaches are the reflection of the present era; in the current period of exceptional growth in e-learning and distance education, geographical borders have slight consequences. However, alternatively, one can perceive the rising importance of borders when the focus moves to regulatory responsibility, especially in funding, quality assurance and accreditation. The term of Off-shore education indicates that education is delivered abroad, but the use of this term is debatably lessening as a result of the popularity of a new term, which is "cross-border education". The cross-border term of education, by the grace of its widely used, is renowned as an emerging phrase and refers to the movement of education across a national border.

[Wildavsky \(2012\)](#) describes the term international trade as,

"The rise of a new kind of free trade, free trade in minds. In this worldwide marketplace, more and more people will have the chance slowly but surely, to advance based on what they know rather than who they are. The academic mobility made possible by our increasingly borderless academic world will, like other kinds of free trade, bring widespread and economic benefits, along with valuable intellectual ferment and tremendous opportunities for individuals."

The trade sector, under the jurisdiction of the General Agreement on Trade in Services (GATS), works on the free flow of education services across the world. GATS covers multi-levels of education such as primary,

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secondary, higher, adult education and training programs as well as various 'other' education services such as language testing. GATS operates educational services via four modes.

Cross-Border Supply: In this mode of trade, services are supplied from one country to another without the physical presence or movement of consumers and service providers.g., e-learning, distance education, virtual programs etc. In the higher education scenario, it refers to educational exchange by means of the internet and through other electronic media, mobility of the programs instead of user and supplier(Knight, 2002).

Consumption Abroad: Students' cross-border mobility for acquiring the latest knowledge and to broaden up their vision is acknowledged as consumption abroad. (Mattoo, Stern, & Zanini, 2008).

Commercial Presence: A supplier supplies services via commercial presence in another nation-state. There is no mobility of the consumer but the movement of the institutions, such as services delivered by overseas branch-like local educational or satellite campuses. In an educational setting, it indicates opening an offshore campus, join a venture, and franchising branches of educational institutions (Collins, 2007).

Presence of Natural Persons: Service providers move from their home country to deliver services in another country. For example, Teachers and educational administration's movements to work abroad. In the educational kingdom, it's recognized as a temporary movement of teachers or professors instead of students (Bashir, 2007).

General agreement on trade in services (GATS) tries to facilitate the mobility of academics, learners, trainers, professionals and skilled persons (Borchert, Gootiiz, & Mattoo, 2012). It provides numerous opportunities for universities to increase the accessibility of higher education; for strategic connection between countries and regions; for the refinement and trading of new knowledge; for the mobility of pupils and academics; for knowledge-driven economy and revenue generation; to boost the teaching, learning and institutional quality and for amplified academia capacity building and mutual understanding. On the other hand, as Higher Education Institutes (HEIs) get benefits from the international trade of higher education through GATS, they also face some risks in the form of:

- Increase in low-quality providers
- Decrease in public funding
- Unsustainable international provision of higher education if profit margins are low
- Cross-border qualification not recognized by home country institutions
- Overuse of English as the language of instruction and
- National higher education policy is unable to meet its objectives (Knight, 2003).

The benefits and risks which have been described formerly both vary for students, teachers and educational institutes, between consumer and supplier countries, between emerging and advanced countries. In the light of the fast pace of international development and innovation, it is vital that the higher education institutes have to be well-informed and proactive about the shortcoming and advantages of international trade of higher education. Nevertheless, most important, there is a core need for appropriate policies and regulations to guide and supervise the current and future growth of universities(Knight, 2006). By acknowledging the whole phenomena of international trade of higher education (IToHE) and its impact on universities' performance, the present study is conducted to divulge the ongoing practices.

Objectives and Research Queries

The sole objective of the study is to explore the impact of International Trade of Higher Education on universities' performance. Research questions of the study are: How can Academia get benefits from national and international PhD qualified teachers to improve organizational performance? What actions are universities taking to decrease brain drain and to import human capital into universities? How is the internationalization of higher education supportive of rising research culture in universities? What are the reasons behind the mobility of students and teachers for study in overseas Institutions?

Research Methodology

A descriptive research design was selected to measure the impact of international trade of higher education (IToHE) on universities' performance. For a survey of study, mix method technique of research was used. In mixed-method research, both qualitative and quantitative data collection and analysis procedure is applied in a single study in which the data are collected synchronously/in sequence and involves the integration of the data at one or more stages in the process of research (Creswell, Plano Clark, Gutmann, & Hanson, 2003).

As said by Creswell (2014), a mixed-method study has five designs, i.e. convergent, embedded, exploratory, explanatory and multiphase iterative design. For the present article, the **Convergent design** of mixed-method research was used to collect, analyze, and interpret quantitative and qualitative data.

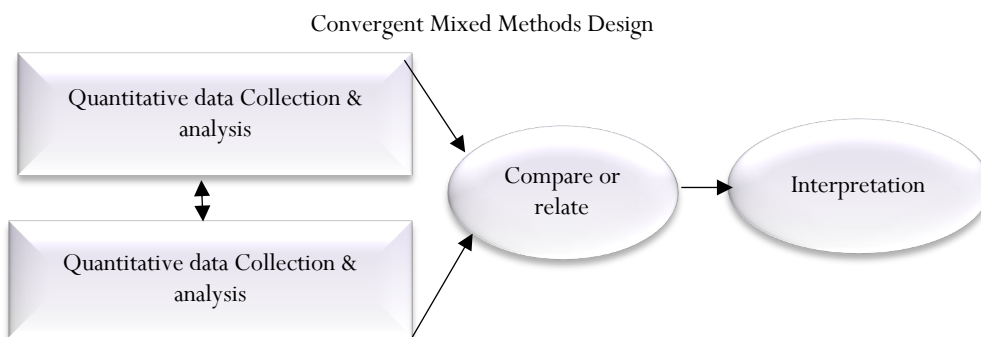


Figure 1: Diagram of Convergent Design (Creswell & Clark, 2015).

In accordance with the procedure of Convergent design, which is displayed above, both types of data, QUAN and QUAL, were collected at the same time, analyzed together, their results were compared, and in the last findings were interpreted as a whole.

Research Tools

For a mixed-method study, two types of instruments were used, questionnaire and Semi-structured interview. Statements of the questionnaire were about various factors, i.e., research, diverse culture, incentives, students' development and cross-cultural behavior, which were based on a 5-point Likert Scale of Agreement. The interview's questions were about the benefits of Indigenous Qualified Teachers (IQT) and Foreign Qualified Teachers (FQT), brain drain and human capital, internationalization of higher education and motives behind the mobility toward foreign institutes.

Data Analysis

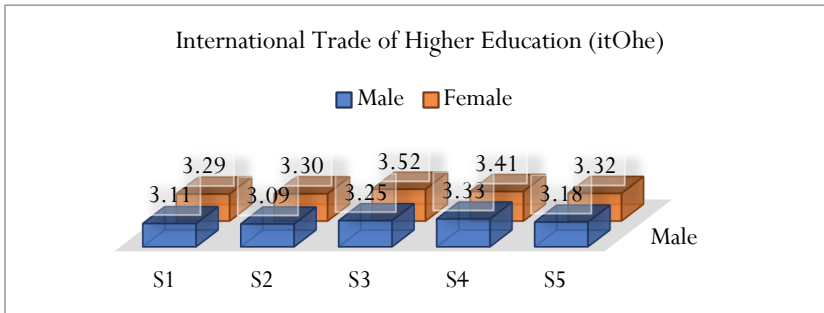
The collected data is analyzed through SPSS and Thematic Analysis, according to its nature. Quantitative data was analyzed via SPSS-20 with different tests such as independent sample T-test, Bar and Column charts, while Qualitative data was evaluated by Thematic Analysis.

Result Discussion

Table 1. International Trade of Higher Education (IToHE)

S. No	Statements	Gender	Mean	Sig.	T
1	Fostering brain to compete, foreign pupils,	M	3.11	.527	-1.556
		F	3.29		
2	Conducting research on global standard	M	3.09	.060	-1.836
		F	3.30		
3	Preparing students to adjust in diverse culture	M	3.25	.516	-2.343

S. No	Statements	Gender	Mean	Sig.	T
4	Developing cross-cultural behavior in learners	F	3.52	.745	-.701
		M	3.33		
		F	3.41		
5	Presenting incentives to faculty members	M	3.18	.232	-1.144
		F	3.32		



Graph 1

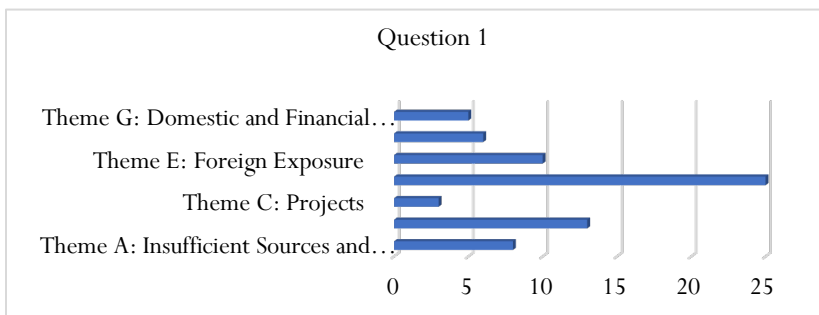
In table 1, the statements of ITOHE are elaborated. Gender responses disclosed that universities meet all the standards of ITOHE. Now the question arises if it is true, then why we are not in the top 5 international universities of the world? Both male and female defendants have a similar assessment as the P-value (greater than .05) illuminates that there is an insignificant difference between the mean score of the gender group regarding all ITOHE statements.

Thematic Analysis

A method to analyze a set of texts like Interview Transcripts or for qualitative data. The researcher intensively looked at the data to categorize the common themes that frequently occur in responses.

Question 1: How can a university get benefits from indigenous and foreign PhD qualified teachers to boost institutional performance?

- 1) Theme A: Insufficient Funds and Sources (8 participants)
- 2) Theme B: Expertise in New Domains (13 Participants)
- 3) Theme C: Projects (3 Participants)
- 4) Theme D: Research Culture and Skills (25 Participants)
- 5) Theme E: Foreign Exposure (10 Participants)
- 6) Theme F: Lack in linkage with industry (6 Participants)
- 7) Theme G: Domestic and Financial Barriers (5 Participants)



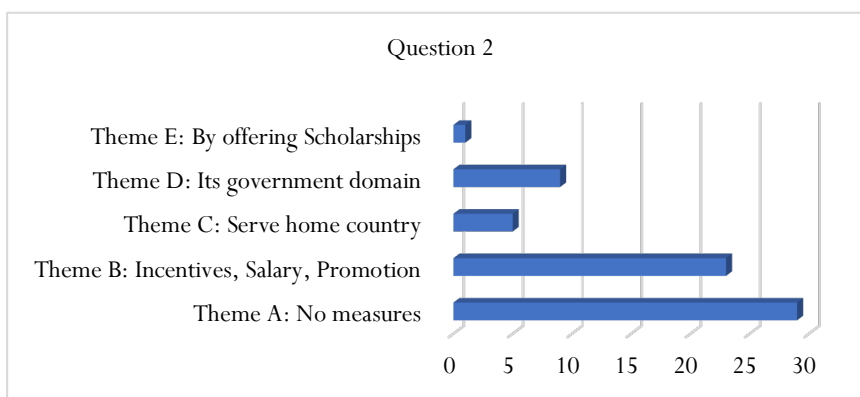
Graph 2

Interpretation

In view of 51 interviewees, the university can get benefits from IQT and FQT teachers' expertise in numerous new domains of knowledge, developing a research culture environment in Academia to learn practical and project-based skills, and from their foreign exposure to advanced education systems of developed countries. On the other hand, according to the 19 informants' answers, due to the insufficient funds and resources, lack of linkage with industry and domestic barriers, the university is not getting benefits from overseas qualified teachers to boost the performance of educational organizations.

Question 2: What measures universities are taking to stop the brain drain and to import human capital into universities?

- 1) Theme A: No measures (29 participants)
- 2) Theme B: Incentives, Salary, Promotion (23 participants)
- 3) Theme C: Serve home country (5 participants)
- 4) Theme D: Its government domain (9 participants)
- 5) Theme E: By offering Scholarships (4 participants)



Graph 3

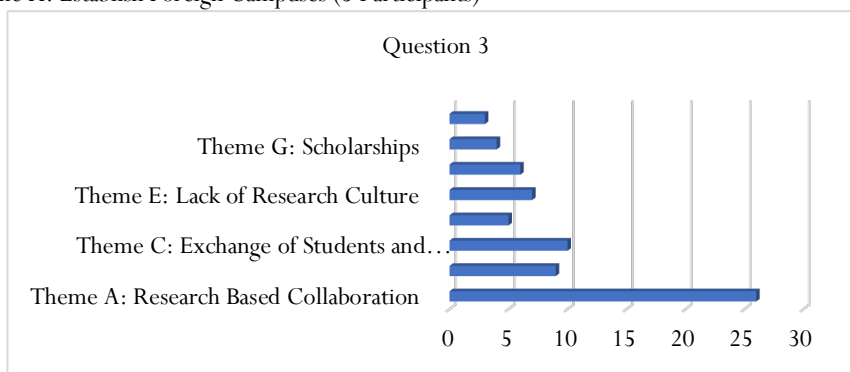
Interpretation

It is suggested by 32 participants that universities can cease brain drain and can import human capital via presenting incentives, handsome salaries, timely promotion, offering fully-funded scholarships and motivating them to come back for serving their home country. Otherwise, Academia cannot attract mobile students and teachers. While according to the responses of 29 interviewees, the university is taking no measure to stop the brain drain and to import human capital. They said universities are lacking in international students and teachers. Only a few academics have a countable number of foreign learners and academics. In view of 9 respondents, it is the responsibility of the state that brain drain should come to an end.

Question 3: How internationalization of Higher Education is helpful to increase the research culture in universities?

- 1) Theme A: Research-Based Collaboration (26 Participants)
- 2) Theme B: Inviting and Hiring International Faculty (9 Participants)
- 3) Theme C: Exchange of Students and Teachers (10 Participants)
- 4) Theme D: Industrial Projects (5 Participants)
- 5) Theme E: Lack of Research Culture (7 Participants)
- 6) Theme F: Technological Advancement (6 Participants)

- 7) Theme G: Scholarships (4 Participants)
- 8) Theme H: Establish Foreign Campuses (3 Participants)



Graph 4

Interpretation

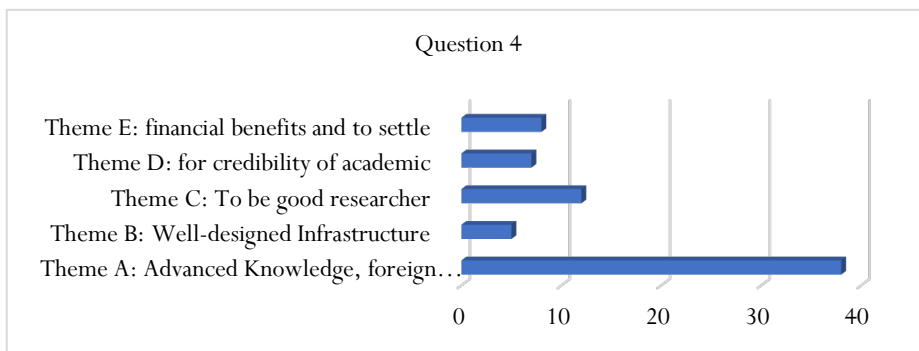
It was replied by 63 academics, internationalization of higher education is helpful to increase the research culture in universities by establishing cross border research-based collaboration, inviting and hiring foreign faculty, mobility of teachers and students, bridge up the gap between industry and academia, technological advancement, offering bright scholarships and via establishing campuses of international universities in the home country. However, as stated by seven interviewees, according to the ground reality, there is a lack of research culture in higher educational institutes because every teacher is publishing research papers for self-benefits neither for society nor for the country. Research is considered as the number of articles instead of the quality of articles.

Question 4: What are the Motives behind the Mobility of Students and Teachers for Study in Foreign Institutes?

- 1) Theme A: Advanced Knowledge, foreign exposure (38 participants)
- 2) Theme B: Well-designed Infrastructure (5 Participants)
- 3) Theme C: To be a good researcher (12 participants)
- 4) Theme D: for the credibility of academic degree (7 participants)
- 5) Theme E: financial benefits and to settle (8 participants)

Interpretation

According to the answer of 55 respondents, the fundamental motives behind the mobility of teachers and students in international countries are advanced knowledge, foreign exposure, well-designed and well-developed infrastructure, and being a good researcher. While for 7 participants, the main priority of mobility is to increase the credibility of an academic degree. Because in Pakistan for any job the preference always is given to that candidate who have a foreign degree. In the opinion of 8 interviewees, cross border movements of the teachers and students is for financial welfares and to settle there permanently.



Graph 5

Triangulation Interpretation of Data

IToHE is the central subject of the current study. It is exposed by quantitative data that respondents have opinions that universities are fostering brains to compete with cross border students, conducting research on the international standard to conquer the renowned position in universities' ranking of the world, preparing students to adjust to diverse cultures or societies, inculcating such behavior in students which enables them to deal with cross-cultural people and awarding inducements such as jobs or attractive salary to the qualified foreign teachers.

Qualitative data disclosed that in view of 51 interviewees out of 70, the university could get benefits from their expertise and foreign exposure in new domains of research and industrial projects 19 respondents said that universities are not getting benefits from them due to insufficient resources and funds, lack of linkage between Academia and industry and institutional political barriers.

In the view of 34 interviewees, no measure is taken by Academia, HEC or state to stop the brain drain and to import human capital, while in the opinion of 27 participants, if they want to do so, they can stop and import by giving incentives, lump-sum salary, promotions etc. According to 9 respondents, it is a government domain, not of Academia.

Just 7 teachers out of 70 academics presented the current practices which are going on in Academia to establish research culture with the help of internationalization of higher education. According to them, Academia is not promoting research culture among students. Pakistan being 3rd world country, lack cultivating research. We cannot match the resources that international universities are providing to research fellows because of our less budget, fake appointments, and unfortunately, the majority of qualified foreign PhD teachers are not performing well.

While other 63 teachers are recommending ways to develop research culture in higher education institutions by inviting and hiring international faculty, work on industrial projects, exchange teachers and students in advanced countries, advancement in technology and establishment foreign universities' campuses here in Pakistan.

In the perception of 55 interviewees, the major motives are advanced knowledge, international exposure, well-designed infrastructure, and being a good researcher. While according to the observation of 15 teachers, students/teachers often visit foreign institutes for the credibility of their academic degrees, financial benefits and to settle there permanently.

Discussion and Conclusion

The import and export of teachers, students, knowledge, and culture between advanced and emerging countries are the part of higher education, but just in the last decade, there has been a noteworthy development in this movement or exchange number via on-campus (physical) or off-campus (virtual) modes of delivery ([Varghese, 2009](#)). These practices offer many novel opportunities to increase the accessibility of higher education; for strategic connection between countries and regions; for the cultivation and interchange of new knowledge; for the mobility of learners and academics; for knowledge-driven economy and revenue generation; for the

improvement of teaching, learning and institutional quality, and for increasing academics' capacity building and mutual understanding.

The present study is also exploring all above-mentioned opportunities as the core objective of the study was "Impact of International Trade of Higher Education on universities' performance". The current research also presents the answers to all the research questions which were highlighted former, i.e., how can Academia get benefits from national and international PhD qualified teachers to improve organizational performance? What actions are universities taking to decrease brain drain and to import human capital into the university? How is the internationalization of higher education supportive of rising research culture in universities? What are the reasons behind the mobility of students and teachers for study in overseas institutions?

According to the findings of analyzed data and its interpretations, it can be said that the efforts of university leaders are optimistic, but until and unless the university would not give the incentives, promotions, facilitation and accommodation to IQT & FQT faculty, the university's performance can't improve and can't get the advantage of international trade of higher education.

The collected data about brain drain and human capital revealed that although teaching is a dynamic field of education, without spending on it, no one can get the results. State, HEC and Academia too, are spoiling their finance or investment in case if mobile teachers or students do not come back to their home country to serve it and utilize their learnt skills, knowledge, and expertise in their teaching. In view of informants, universities should use these grants on our indigenous teachers, local institutes and invite or hire international teachers in our higher educational institutions.

Assessment and explanations of the data also disclosed that internationalization of higher education for research culture that our university is not supporting, qualitative researchers are not highlighting societal problems whereas workshops, conferences, and seminars are being organized just for decorum and to increase the number game. There are mere discussions and resolutions which do not provide a concrete and viable solution to the existing problems of the society, country, economy, curriculum, industry, and international linkages etc. No grant is offered to research scholars except those who are going to present their articles at any local or cross-border conference. Scholars are applying traditional tests in their dissertations; no research-based education is delivered. Teachers well conversed with research techniques are reluctant to propagate knowledge to their fellows as well as students. New prints, of course, books are produced each year which only have a change of design or rearrangement of contents and are meant for financial gains only.

About motives or reasons for teachers'/students' mobility, data unveiled a very bitter reality that Pakistani universities are lacking in providing international level facilities to pupils. In contrast to Pakistani universities, foreign universities are equipping students with advanced knowledge, foreign exposure, well-designed infrastructure, research techniques and a credible academic degree.

Recommendation

The fast pace of international development and innovation demands a pro-active higher education sector that is well informed about the threats and welfares of international trade of higher education. Nevertheless, primarily, there is a fundamental necessity for applicable policies and regulations to guide and supervise the present and future growth ([Knight, 2006](#)).

Here are some recommendations to take advantage of the International Trade of Higher education for the improvement of university performance.

- Incentives should be given to local and foreign faculty in the form of appreciations, bonuses, respect, handsome salary, freedom in their work, resources, timely promotions, and other allied facilities like accommodation and healthcare facilities. It will stop the brain drain and prove helpful to import human capital.
- Universities should prepare students to develop innovative, creative, critical thinking, problem-solving tactic, ICT skills, morality, cross-cultural awareness and most important, the abilities of good qualitative researchers with practical knowledge.

- The curriculum should be designed according to the international standards and latest development of the world. Novel ideas should be introduced. The presence of traditional theories and content be curtailed.
- Research students should be facilitated by digital libraries, conference rooms, nonstop Internet connectivity, research scholarships, unbiased supervisors, updated computer and science labs.

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