

Re-framing education export from the perspective of intellectual capital transfer

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1 Introduction

It is well known that a nation's knowledge-related resources, i.e. national intellectual capital, have a significant impact on the development and prosperity of the country (Lin & Edvinsson, 2011; Ståhle & Bounfour, 2008). Therefore, investing in national intellectual capital can be considered a justified development policy (Käpylä et al., 2012). International collaboration in the field of higher education is becoming a beneficial way for developing countries to acquire human capital from more developed countries (Bennell & Pearce, 2008). Through collaboration, the processes and practices of a high-standard education can be transferred to developing countries in order to create the capacity and possibilities for intellectual capital renewal. Moreover, this activity can be a business opportunity, and it can be motivating from an academic or societal impact perspective (Schatz, 2015). Furthermore, export activity can help countries with more advanced higher education systems to identify knowledge-related resources and to explicate the prevailing education processes and practices.

Although there is already a relatively long tradition of education export, it can still be considered a growing phenomenon (Cai et al., 2012). For example, Finland has only during recent decades started to promote education export as a means to leverage the country's strong human capital base and to search for opportunities to become a more active player in the higher education market (Cai et al., 2013; Schatz, 2016).

For many universities, education export is a new type of activity, in contrast to the more traditional non-profit forms of academic internationalization (e.g. student and staff mobility or cross-border research and education projects). Prior research has shown that there are many challenges in carrying out education export activities (Cai et al., 2012; Knight, 2013; Naidoo, 2010). Some of them are quite pragmatic; as education export is a new activity for many universities, they simply lack the necessary skills and routines, such as those related to marketing (Naidoo, 2010). More fundamental questions have also been raised. For example, in an article analyzing the trends of the internationalization of higher education, Knight (2013, p. 88) stressed that 'an increased emphasis on the "buying and selling" of education across borders will affect the nature and priority given to academic, social and cultural purposes of non-profit international

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7 education'. Another related challenge indicated by Knight is the decoupling of the universities'
8 demand for the commercialization of education and the willingness of academics to commit to
9 developing relevant activities. This may relate to a potential conflict between the values of
10 academics – who are used to a non-profit logic in international academic collaboration – and those
11 related to a more commercial orientation. Based on the experience gathered in Australia, education
12 export strategy often fails without concomitant academic involvement and participation (Poole &
13 Ewan, 2010).

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17 The challenges concerning international education mentioned by, for example, Knight (2013)
18 and Naidoo (2010), are also reflected in the discussion about recent education export efforts in
19 Finland. For instance, Schatz (2016) criticizes the Finnish education export strategy for being too
20 vague and because its underlying values cannot easily be adopted by many of the academics
21 expected to be key actors in the export arena. This very recent observation supports previous
22 analysis of the readiness of Finnish education export by Cai, Hölttä and Kivistö (2012), which was
23 based on the education export strategy launched by the Finnish government in 2009 (Finnish
24 Ministry of Education and Culture, 2009).

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28 In order to more clearly comprehend education export and the related challenges – and to
29 identify solutions for these challenges – in this paper we examine education export from the
30 perspective of intellectual capital. In other words, we conceptualize education export as an activity
31 aimed at transferring intellectual capital as a two-way process benefiting both ends of the
32 collaboration.

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35 There is no prior research examining education export from the intellectual capital perspective. It
36 can be assumed that depicting the concept of intellectual capital as a premise will be useful in
37 forming a better understanding of the various aspects of education export. First, it can help the
38 exporting institution to identify in a more fine-gained manner the various knowledge-related
39 resources needed for successful education export activity. This could have managerial relevance in
40 terms of identifying areas that require development actions. Second, if we are able to recognize the
41 various intellectual capital-related benefits of education export we may be better equipped to solve
42 the value conflict mentioned above. In other words, if we are capable of reframing the value of
43 education export (not only as having a monetary value for the exporting institution but also as
44 producing many intangible benefits for several stakeholders), it may encourage and motivate
45 academics to participate in these activities. Consequently, in this paper we ask: *how can intellectual*
46 *capital transfer be used as an analytical tool to gain an understanding of the nature and challenges*
47 *of education export?*
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2 Integrating the research fields of intellectual capital and education export

2.1 Intellectual capital

Intellectual capital is a concept that refers to various immaterial sources of value creation (Lev, 2001; Lönnqvist et al., 2009; Schiuma et al., 2007). Commonly, the concept is applied at organizational level and examined from three main perspectives. *Human capital* consists of issues related to individuals' capabilities, expertise, education and past experiences; *structural capital* consists of knowledge-based resources embedded in the organization's culture, structure, processes and systems; and *relational capital* consists of the relationships the organization has with its stakeholders, including the organization's image and product brands (Sveiby, 1997; Seetharaman et al., 2002).

Intellectual capital is valuable, although the exact value is difficult to measure as it depends on the context and the manner of its utilization. Thus, in addition to discussing how much and which kinds of intellectual capital there are or should be, it is important to understand how intellectual capital can be transformed into value (Laihonen & Lönnqvist, 2010).

The concept of intellectual capital is also used at the level of cities, regions and nations (Carrillo et al., 2014; Stam & Andriessen, 2009). According to Käpylä et al. (2012), national intellectual capital consists of, for example:

- all individuals' knowledge, education, attitudes, values
- social knowledge, networks, culture and trust within the society
- international relations and cooperation, image of the country internationally
- academic infrastructure, innovation system, governmental and political practices

Prior research suggests there is a connection between high levels of national intellectual capital and the economic performance of the nation (Lin & Edvinsson, 2011; Ståhle & Bounfour, 2008). Generally, higher levels of intellectual capital are likely to lead to good economic performance; however, the relationships are complex and context-dependent (Käpylä et al., 2012). Nevertheless, in the pursuit of development, nations (and cities, regions, public organizations and companies) are investing in intellectual capital. The current literature on national intellectual capital is tilted towards studies that develop indicators and benchmark countries' intellectual capital, while fewer studies discuss how national intellectual capital could be transferred or developed. Thus, this paper

contributes to the intellectual capital research field by examining education export as a form of national intellectual capital transfer and as a process benefitting both parties involved.

2.2 Education export

Education export is an aspect of the internationalization of higher education (Bennell & Pearce, 2003). According to Schatz (2015, p. 330), it can be defined narrowly as ‘an intentional business transaction concerning education practices, service and materials from one country to another’, or broadly as ‘any conscious or unconscious form of education distribution’. As developing countries have begun to acknowledge that an increase in the education level of the population is likely to lead to economic development, the demand for education export has started to grow (Lenn, 2000). For highly populated countries, education export serves as a means of accessing education, particularly when local institutions cannot meet the demand (Altbach & Knight, 2007; Bannier, 2016; Healey & Michael, 2015).

Education export can take many forms. A traditional form is to collect student fees from international students; another typical way to export education is to provide commissioned programmes abroad. In the case analyzed in this paper, the students stay in their home country while the faculty of the provider university travels to deliver the education. According to Lenn (2000), other examples of education export include universities setting up branch campuses abroad, franchised degree programmes and distance programmes using online techniques.

For the leading countries, such as Australia, the UK and the USA, education export is a multi-billion dollar business annually (Bennell & Pearce, 2003; Lenn, 2000; Naidoo, 2010). Due to the leading countries’ success, many other countries are trying to follow their lead. From the provider’s perspective, transforming a strong national knowledge base into a source of export income is a key motivation of education export at the national level (Cai et al., 2013). Another motivating factor may be the possibility to have a positive impact on the world (e.g. on the environment, health or social wellbeing) through education export (Schatz, 2015). For the universities providing the education, export activities may be a way to increase the institution’s reputation and funding. Simultaneously, for the customer universities, foreign programmes offer cooperation opportunities with foreign partners and a cross-cultural perspective for their students. Collaboration with a foreign university may also increase understanding of international education standards and practices (like curriculum management and delivery) in order to develop better-quality practices. For individuals (the customers) who are unable or unwilling to travel abroad to study, a highly respected international university degree becomes accessible and helps them differentiate themselves in the job market (Bennell & Pearce, 2003; Tran, 2014).

Education export may be a promising opportunity for all parties involved, but there are also some challenges to address. First, there are ethical concerns. International academic mobility favors the well-developed education systems and, thus, may compound existing inequalities (Altbach & Knight, 2007; Tran, 2014; Bannier, 2016). From this perspective, education export equates to developed countries providing education to developing countries. While doing this, developed countries also spread their cultural models and practices, which can be viewed as a questionable practice. On the other hand, education export can be considered an ethical undertaking, as it educates global citizens by sharing successful education recipes for everyone's benefit (Schatz, 2015). Second, many issues relating to resources and practices affect the success of export programmes. Since the basic mission of universities is research and education, they may lack the required market orientation and, as a result, might not be equipped for export activities (Naidoo, 2010). Moreover, not all academics are interested in commercial education activities, given that the academic tradition is often oriented towards non-profit forms of value creation (Knight, 2013) and altruistic motives enhancing the welfare of others (cf. Wilkins and Urbanovic, 2014).

Practical challenges related to running export programmes include the management of students' language proficiency, the students' access to library services and other important resources, programme governance, the availability of skilled teachers and budget issues (Lenn, 2000). Other concerns reported in previous literature include the lack of experience and knowledge in marketing, insufficient motivation and commitment and the lack of coordination in exporting education (Cai et al., 2012). Thus, education export is not a straightforward business.

2.3 Education export from the intellectual capital perspective

In this paper, we examine education export as a means to transfer national intellectual capital. In this setting, a provider country and organization (e.g. a university or a company) considers itself as possessing potentially valuable intellectual capital that could be put to use and developed into a revenue stream through education export activities. As discussed, there are also altruistic motives present but the establishment of new activities often requires an initial investment. Furthermore, the continuity of these activities can only be guaranteed by a continuous and steady revenue stream. Thus, despite the underlying altruistic motives the providing institution seldom has a possibility to ignore the financial aspects of education export. On the other side, there is a customer (e.g. an institution or an individual) that considers education export as a useful way to acquire some aspects of intellectual capital, especially elements of human capital. In order to elaborate this issue, the role of intellectual capital in education export will be examined first from the customer's perspective and then from the provider's perspective.

Customer perspective: acquiring intellectual capital through education export. The customer's societal or organizational development goals and the status of their current intellectual capital determine the kinds of intellectual capital required in a given situation. For example, a need for a certain kind of human capital typically arises because there is a lack of expertise considered important for achieving the chosen economic, societal or environmental development goals.

On the customer side, there are actors on different levels. First, there is the individual person – a student – who aims to develop his/her human capital. The motivation here is to acquire capabilities and a highly respected university degree to facilitate career development nationally or internationally. Second, there may be a local university or some other organization operating as a partner in the education programme. For such a partner institution, the export collaboration may provide the means to strengthen research and teaching capabilities and practices to boost its reputation and help attract students. Third, from a national (or regional) perspective, export programmes are expected to produce workers qualified to serve the needs of the labor market and to develop the country's own infrastructure related to, for example, education, innovation and governance. It can be assumed that other forms of national intellectual capital may be developed, and later the societal development goals achieved through utilizing the newly developed human capital.

Consequently, the required types of intellectual capital depend on the goals set and on the current level of the relevant intellectual capital. Moreover, the types of intellectual capital developed through education export activities vary depending on the level of examination. Authors' conceptualization of these levels is illustrated in Figure 1 and analyzed further in section 3.2.

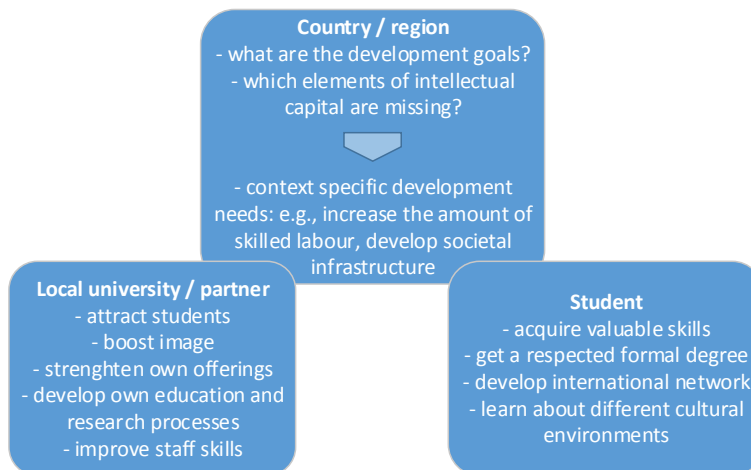


Figure 1. Intellectual capital-related customer needs for education export.

Investing in education involves risks and there are many things that can go wrong in an export project. One noteworthy issue is student selection; for example, if the students' academic skills (including language skills) are not adequate to keep up with the education on offer then the project may be doomed to failure. Another risk is that even if the students are able to finish the programme successfully, it may not automatically lead to the desired outcomes in terms of societal goals. This relates to the way in which the new expertise is utilized in the labor market. Thus, in line with Naidoo's (2010) 'export readiness' concept, it might be worth considering the 'import readiness' in each case setting, i.e. whether the students have the adequate expertise (in terms of substance and language) and whether there are mechanisms in place to absorb and leverage these capabilities in the labor market.

Provider perspective: transferring intellectual capital through education export. Table 1 lists examples of intellectual capital that are likely to be necessary preconditions or important drivers of a successful export project. These will be further analyzed in empirical section 3.3. First, the export organization is required to possess human capital that fits the export purposes. There is a need for highly skilled academics, but research-oriented academic staff are not automatically motivated by export activities. Thus, there is a demand for staff members interested in working with international students and in international locations. In addition, skills related to, for example, marketing and understanding the local context are required. Second, elements related to structural capital are also necessary. For example, education products, i.e. degree programmes or short courses, should be scalable and appealing from the customer's perspective. Third, the export organization should leverage its (or its home country's) positive education image and brand. For example, Finnish export organizations aim to capitalize on Finland's good reputation in PISA studies (Schatz, 2015); in other cases, the image might be based on a world-class research reputation. In addition, successful export projects benefit from good partnerships that help in student recruitment, for example.

Key elements of an education export organization's intellectual capital

Table 1

Human capital	Structural capital	Relational capital
<ul style="list-style-type: none"> - skilled teachers - teachers' motivation towards education export - sales and marketing skills - knowledge of the local context 	<ul style="list-style-type: none"> - education products - pedagogic and ICT tools for delivery - processes for governing the programmes 	<ul style="list-style-type: none"> - image and brand of the country/university - knowledge of customer needs - partner organizations (e.g. for marketing)

There are risks concerning the export provider as well; in the early stages of export activities in particular, there may be gaps in any of the elements listed in Table 1. For example, if the pedagogic approaches are not suitable for the local context, this can lead to additional workloads for the teachers and increased costs for the organization. Education export can be regarded as a positive activity that increases an organization's visibility and strengthens its image internationally. However, problems in the export projects (e.g. cases of plagiarism or other unethical behavior) could also have a negative effect on the image. Other potential risks include, for example, the misuse of the organization's immaterial property rights and potential legal problems with contractual partners.

3 Case study

3.1 Research setting and methods

The Faculty of Management at the University of Tampere (UTA) has carried out various education export projects in Vietnam since 2011; it has granted approximately 40 master's degrees in Public Policy and Financial Management to students of the National Academy of Public Administration (NAPA). All of the students work for the Vietnamese government in different administrative roles. In addition, 21 MPA (equivalent to MBA) degrees were granted in NAPA in 2016. Furthermore, resulting from cooperation with the University of Economics, Ho Chi Minh City (UEH), 21 Vietnamese master's degree students graduated in 2016 from the Public Administration programme. Currently, about 60 students are carrying out their master's degree studies in the joint master's degree programmes with NAPA.

In this paper, we apply a qualitative case study approach (Gummesson, 2000; Voss et al., 2002; Yin, 2009) by analyzing the education export activities of UTA in Vietnam as empirical data. Thus, the service provider is a Finnish university (UTA), whereas Vietnam as a nation, Vietnamese education institutions and Vietnamese students are the customers. The data was gathered through an action research process during the period 2014–2017. Thus, the empirical analysis benefits from the experiences of the authors, who have participated in UTA's education export activities in various roles. Marketing ~~and selling~~ education services, negotiating with the customer universities regarding the curriculum content, and teaching and interacting with students in the classrooms have provided the authors with an in-depth view of the export practices. Furthermore, the authors have

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7 participated in ministry-level discussions concerning, for example, the national-level needs and the
8 funding of these programmes. In practice, the empirical data consists of dozens if not hundreds of
9 discussions and emails between the actors participating in the planning, executing and evaluation of
10 education export activities. In addition, this information is complemented with the authors' personal
11 observations and secondary data consisting of various strategy and policy documents of both
12 countries and the universities at both ends of the partnership. Thus, by collecting data from different
13 sources to be analyzed by authors with different perspectives, elements from triangulation strategy
14 were applied to construct comprehensive understanding and description of the phenomenon.
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18 The empirical data is analyzed from the perspective of the theoretical framework on intellectual
19 capital in education export constructed by the authors in section 2.3. After formulating the
20 conceptual framework, a more detailed analysis of the data was conducted by the authors to
21 illustrate the applicability of this conceptualization. As a result, the two-fold analysis identifies and
22 explicates the elements of intellectual capital transfer from the viewpoints of a customer and
23 providing institution. The intangible aspects that drive customer motivation for engaging to
24 intellectual capital transfer (see Figure 1) are analyzed in section 3.2, while the provider's
25 perspective (see Table 1) is further elaborated in section 3.3.
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31 *3.2 Customer perspective*

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33 ***National-level demand for education export.*** Over the past decade, Vietnam has experienced
34 significant changes resulting from its transition from a centrally planned to a market-oriented
35 economy. Vietnam reached the status of a lower middle-income country in 2010, and it has
36 ambitiously determined to become a modern industrial country by 2020. However, as noted by the
37 Country Strategy for Development Cooperation with Vietnam 2013–2016 (Ministry for Foreign
38 Affairs of Finland, 2013), vital to attaining the goal will be the level of success in building good
39 governance, increasing respect for human rights and ensuring inclusiveness of growth.
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43 Despite some significant achievements in terms of public administration reform in Vietnam, the
44 current system remains heavily influenced by the former centralized and bureaucratic management
45 mechanisms, and has difficulties responding adequately to the requirements of an open market
46 economy. As part of the ongoing change, a thorough transformation of the higher education system
47 is also needed. In terms of numbers, Vietnam's higher education system has grown dramatically
48 over recent decades. Since 1995, the number of Vietnamese universities has increased, and reached
49 234 universities in 2012. Consequently, it has been argued that the demand for higher education
50 cannot be met solely by the Vietnamese education system. (Clark, 2014).
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7 ***University-level demand for international education partners.*** In addition to capacity problems,
8 a shortage of qualified teachers poses a problem for the Vietnamese education system and
9 individual education institutions (Clark, 2014). This lack of resources has led to the closure of many
10 Vietnamese universities. Thus, Vietnamese universities are increasingly looking for private-sector
11 support and foreign participation in education and training services.
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14 In addition to this more general call for international collaboration, the Vietnamese context has
15 special characteristics and requirements that generate interest in what Finland and UTA have to
16 offer. The Finnish public administration and governance systems rank highly in all areas; indeed,
17 the Finnish public administration is one of the most efficient in the world at attracting many
18 developing countries. Furthermore, UTA, and especially the Faculty of Management, is a well
19 established institution and the biggest and most important educator of public officials in Finland.
20 Therefore, the customer requirements and the capabilities and resources of the service provider
21 intersect well creating a compatible foundation for this collaboration.
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25 The Vietnamese higher education system has also been criticized due to the centralized control
26 and governance that hampers the quality of the education and the creativity of staff and students
27 (Hayden & Lam, 2007). Accordingly, Do and Ho (2011) have proposed an increase in the
28 autonomy of higher education institutions in Vietnam. From the Finnish perspective, in which self-
29 government and innovativeness are valued, the authors anticipate that autonomy would increase the
30 efficiency of universities by, for example, allowing for more effective human resources
31 management practices.
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35 Finally, Vietnamese universities have been characterized as lacking a research-oriented outlook,
36 and are criticized for the relatively few peer-reviewed international journal publications compared
37 to other developing countries (Vallely & Wilkinson, 2008). A more research-oriented culture would
38 improve staff capabilities, boost the image of the institutions and help to attract the most promising
39 students. Here, the different aspects of intellectual capital interweave; collaboration with a well-
40 established Western university enables a high-quality offering, which enhances the attractiveness of
41 education not only for students but also for staff. This assumed positive cycle is expected to
42 generate additional resources and lead to other benefits in various areas of the academic
43 environment.
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47 ***Students' perspective on education export.*** From an individual student's perspective, we assume
48 that earning a Finnish master's degree is an inviting opportunity. Here, one of the driving forces to
49 participate is surely the finding that currently nearly 50 per cent of Vietnamese students cannot find
50 a job after graduating, which emphasizes the value of a degree from a distinguished international
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7 university. Arising out of this, the curriculum and the learning objectives of the programmes must
8 be scrutinized carefully. Thus, learning outcomes are required to match the needs of local labor
9 markets.

12 3.3 Provider perspective

13 **Human capital.** For a knowledge-intensive organization, like a higher education institution,
14 human capital and especially the academic expertise of the personnel forms a critical asset. In
15 UTA's case, the activities were started by pioneering academics who were interested in sharing
16 their expertise in an international setting. On a general note, when the internationalization expands,
17 more personnel need to participate, and running a master's degree programme also requires the
18 support and commitment of the administration of the exporting institution.

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22 Universities' sales and marketing skills are typically not very strong, especially in countries like
23 Finland with a tradition of tuition-free university education; here, commercial activities, such as the
24 productizing and pricing of education services, are unfamiliar. However, the most challenging
25 aspect is the context-bound nature of our knowledge and teaching, which becomes visible in
26 intellectual capital transfer. Public sector management practices differ considerably between
27 Finland and Vietnam, making it impossible to apply Finnish practices directly to the Vietnamese
28 context. Thus, contextual understanding and sensitivity becomes a prerequisite for education export.
29 On the other hand, identifying the contextuality of human capital becomes beneficial for the
30 provider's research and teaching practices.

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34 **Structural capital.** In order to build successful and financially sustainable education programmes
35 it is essential that these programmes are clearly defined as individual education products. In a
36 highly competitive market, all the financial benefits are easily wasted in the tendering and
37 negotiation processes if the programme curriculum is being iterated for a long period. It is not
38 unusual for these processes to take months, and sometimes even years. Clearly defined processes
39 ease the marketing, negotiating, planning and implementing of the programmes. It is also easier to
40 find the appropriate resources and allocate time for teaching if the programme is clearly defined and
41 builds on existing study modules. Scalability and the ability to repeat and remodel the same
42 programme in different contexts are important both in terms of quality and efficiency.

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47 The systematization of processes is a prerequisite for internal governance, pedagogic practices
48 and in the use of information technology. It is also important to create clear rules for compensation
49 practices and incentives for academics to participate. All of these factors call for strategic planning,
50 and the exporting institution needs to be clear about the objectives of education export. While the
51 education export is growing from a small-scale activity involving only a few academics into a
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7 strategic focus area, open communication and clear plans are required. To some extent, this calls for
8 a cultural change, which is often a slow process.
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10 **Relational capital.** As discussed in Section 2.3, it appears to be highly important that the
11 university is able to benefit either from its own image and brand or that of its home country.
12 Universities starting export activities must be able to stand out from the leading universities in the
13 education markets.
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15 Nowadays, a company called Finland University is responsible for marketing and selling the
16 education services of three Finnish universities. The idea is that Finland University provides UTA
17 with expert services related to marketing, drawing up contracts and dealing with financial
18 transactions, allowing UTA and its personnel to focus on the academic content and the delivery of
19 the programmes.
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22 Moreover, successfully delivered programmes bring new projects and new customers. In this
23 area, UTA has succeeded; there are already a third and fourth round of programmes running with
24 NAPA in Vietnam.
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27 3.4 Discussion 28

29 Based on the above, some lessons learned can be summarized. First, the earlier research
30 concerning the motivational factors of the customer is largely supported by the empirical
31 examination (e.g. Bennell & Pearce, 2008; Schatz, 2015). However, the threefold categorization,
32 i.e. country, university and the individual student, helped us to recognize more detailed nuances in
33 customer's needs related to intellectual capital components.
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36 At the country level, the focus is essentially on improving competitiveness, and the education
37 system plays a critical role in this (cf. Lin & Edvinsson, 2011; Stähle & Bounfour, 2008). Our case
38 study illustrated how these nation-specific needs always relate to wider societal development goals,
39 which may set some particular requirements (e.g. to improve public administration). These needs
40 guide the selection of the international education partner. From the education institution's point of
41 view, the export programme can provide access to assets that are either missing from the local
42 institution or that increase their competitiveness (e.g. qualified staff and being branded as an
43 international university). Moreover, intellectual capital transfer reaches beyond the mere content of
44 the education programmes, as it is also about capacity building and transferring the academic
45 culture and practices to both ends of the partnership. At the level of individual students, an
46 international degree helps differentiate them in the job market.
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51 Similarly, the findings related to the key knowledge resources required by the education provider
52 correspond fairly well to prior research concerning the potential problems and success factors of
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7 education export (Cai et al., 2012; Lenn, 2000; Naidoo, 2010). However, it can be claimed that the
8 classification of important knowledge resources provides a systematic and structured way to
9 identify the important aspects of successful education export activity.

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11 To summarize, in this study, intellectual capital was utilized as an analytical lens to provide a
12 better view of the customer's knowledge-related needs and the provider's key knowledge resources
13 that are required for a successful education delivery. Our findings show that education export is not
14 only about transferring academic knowledge and skills. Instead, it is motivated by the customer's
15 need to obtain various kinds of intellectual capital. Likewise, successful delivery requires many
16 types of human, structural and relational capital in addition to the actual academic knowledge that is
17 being exported. Understanding the customer's requirements more thoroughly is likely to be useful
18 for developing offerings that match their actual needs. For example, where the customer has a great
19 appreciation of the brand of an international degree, it makes sense to stress factors related to that in
20 planning and executing the programme. Moreover, understanding the array of various intellectual
21 capital elements required in a successful education export operation could help managers identify
22 areas for improvement. In particular, the framework developed (Figure 1) provides a potential
23 managerial tool for systematically identifying and evaluating the intellectual capital-related success
24 factors of export delivery. It seems possible that the framework can be further developed into a
25 measurement tool to monitor and guide the development of export activities.
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34 **4 Conclusions**

35 This study aimed to explore how insights into cross-border intellectual capital transfer could be
36 used as an analytical tool to gain an understanding of the nature of education export and the
37 challenges associated with it, both in general and particularly in the case of Finnish universities.
38 Although much potential exists in education export, there are many challenges to be overcome. This
39 has been reported and analyzed in several studies internationally (e.g. Knight, 2013) and in the
40 Finnish context (e.g. Cai et al., 2012; Cai & Kivistö, 2013; Calugareanu, 2015; Hölttä, Pekkola &
41 Cai, 2009; Schatz, 2015, 2016).

42 The key contribution of this paper is the conceptual and empirical analysis of education export
43 from the intellectual capital perspective. The findings show that intellectual capital is a useful
44 concept for obtaining a more detailed perception of the different kinds of knowledge-based
45 resources that are transferred through education export activities: a) which new knowledge-based
46 resources do customers at different levels aim to acquire? b) which resources are needed by the
47 education provider in order to run successful export activities?
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By identifying and assessing the required elements of intellectual capital, matching both the provider's and customer's sides, the intellectual capital perspective can help to define the expectations and goals of an export programme. In addition, it supports recognizing and evaluating the prevailing educational processes and practices, context-bound knowledge, development areas, associated risks and, ultimately, the impacts created, thus providing a new perspective for identifying important factors affecting the success and failure of export activities (cf. Cai et al., 2012; Lenn, 2000; Naidoo, 2010). The intellectual capital perspective has potential both as a scholarly analysis framework and as a managerial tool (e.g. by using Table 1 as a checklist for required capabilities and resources). Moreover, perceiving education export as intellectual capital transfer – and seeing the various intangible and mutual benefits – might help academics to overcome the potential value conflict (Knight, 2013). The enhancement of value compatibility between education export and the traditional internationalization of higher education can be crucial to successfully implementing education export strategies in Finland and elsewhere.

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