Educator Insights:
Strategic Partnerships for Global Education—Linkages with Overseas Institutions

ABSTRACT

The globalization of business education involves much more than the inclusion of more international business courses in the curriculum and the infusion of more international materials into all business courses. Like their corporate counterparts, business schools themselves need to become global institutions with operations in various parts of the world to enable faculty, students, and executive clients to gain international expertise and to provide regular and diverse global inputs into the educational process. Since most schools lack the resources to achieve a global reach by themselves, the best course generally involves the establishment of strategic alliances with foreign business schools. This article examines the nature of these alliances and suggests the many joint activities in which alliance partners can engage.

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The debate over the "internationalization" or "globalization" of business education has moved from the realm of whether such initiatives are necessary and into the realm of how best to achieve this end. One commonly hears that partnerships with overseas business schools can provide a vehicle to augment an institution's efforts to internationalize. These linkages can indeed make major contributions to a school's drive to develop a more global orientation, but it is necessary to first understand their inherent capabilities and limitations before linkages can be employed in a useful manner.

In one of their earlier articles, the authors presented a list of "keys to success" for the establishment of international linkages (Green and Gerber 1993). This article is an endeavor to go beyond that earlier effort in several respects. First, it provides a more explicit examination of linkages with overseas schools in the context of the overall internationalization effort by examining the logic of these relationships and by differentiating between the primary types of linkages that can be pursued. Second, the article identifies the various forms of cooperation than can occur among partner schools from the most fundamental to the most sophisticated. The importance of reciprocal benefits for linked schools is emphasized throughout the article, and it ends by focusing on one highly intangible factor—*trust*—that is an absolutely critical element for linkage success.

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THE GLOBAL VISION

It is essential for a school to develop its own global vision before giving detailed consideration to the role that international partnerships will play in the school's internationalization strategy. The global vision will vary considerably among institutions and will depend upon such factors as size, resources, and general orientation. Does the school envision itself as a global entity, with an associated global reach; or is it directed toward a particular locality with its main international interests directed toward better serving this community? Is the vision closely related to a particular industry and/or region of the world; or, does it cut across all (or most) industries and continents? These and other questions need to be addressed when establishing the school's global vision—the necessary starting point in any strategic planning process.

Once the vision is conceived—and still following the strategic planning model—the institution should establish goals and related objectives associated with the realization of the vision. The goals and objectives need to reflect a realistic assessment of the institution's international capabilities and the tradable resources (e.g., prestige, faculty expertise, student profile, access to business and academic networks, location, facilities, degree programs, etc.) which it "brings to the table" that may have value to external constituencies such as potential partner schools. It is only after these (realistic) goals and objectives are established that partnerships with overseas institutions should be considered. Can such partnerships contribute to the achievement of the objectives that have been set? The answer will probably be affirmative. The main point, however, is that partnerships should not be considered as ends in themselves, but rather as means toward achieving some previously stipulated objectives. Thus, until these objectives are established, it is not wise to rush impulsively into overseas collaborative arrangements.

A word of caution: Always refer back to the vision and strategic plan when assessing new opportunities. Many very real pressures can divert efforts away from the plan. For instance, the international programs "champion" at another school indicated that her school is establishing a partnership with a school in Greece. The geographic orientation of her school made Greece seem a highly inappropriate location for a partner. When asked "Why Greece?" she responded that, "the provost wants a program in Greece (he's of Greek heritage)." This incident reflects the types of pressures that may be faced—which, if given high priority, will greatly impede the implementation of an international strategy. Of course, the provost's desires must be heeded, but should they determine the course of the school's international programs? Placing major amounts of time into satisfying the desires of high university officials not holistically involved in international planning can derail a program. One must always keep focused on the goals and objectives that are driving the strategic plan and, if possible, make token efforts at satisfying marginally related requests made by key constituents.

The Logic of Overseas Linkages

Numerous parallels exist between business firms' use of strategic alliances with foreign companies as a mechanism to globalize their operations and business schools' employment of linkages with overseas institutions as a vehicle to internationalize. In both cases there is a pressing need to add a global dimension to their activities. And, in both cases, it is virtually impossible to become more global without commencing some form of operations outside of the home country. For academic institutions, it is generally important for both faculty and students to go abroad in order to become acquainted first-hand with the dynamics of the global economy as it impacts their disciplines.

Large corporations frequently have the option of direct investment overseas in lieu of the formation of strategic alliances with overseas firms. Likewise, some academic institutions have attempted international ventures that are analogous to direct investment by businesses—independent operations that provide academic training to their own, home-country students, or to students in the foreign nations. There are some notable (albeit qualified) "success stories" of this type of operation. It is rare, however, that a school has the resources to successfully manage an operation in an overseas location, and the field is littered with failed ventures of this type, even by some of the most prestigious and heavily endowed U.S. institutions. They often underestimate the magnitude of the fixed costs associated with running a full-service foreign operation, and the diluting effect it can have on educational quality when they attempt to use their own faculty to staff these operations. Likewise, they tend to overestimate the extent to which foreign faculty with requisite training and orientation are available as well as the perceived value in the foreign nation that a degree from a "prestigious" U.S. institution can have when offered outside of its home base.

With the appropriate foreign partners, however, it is possible to create circumstances in which all parties can benefit at the expenditure of minimal resources, both human and financial. Such win-win situations develop through the pooling and leveraging of faculties and facilities to provide educational experiences in line with the schools' global visions. It is not necessary to acquire property and hire permanent and part-time staff in a particular city (say, London), in order to have programs in London if the school has a partner institution in that same city. Value needs to be provided on both sides, of course, and it is always necessary to develop partnerships that render reciprocal value to all partners. Given this consideration, though, overseas linkages with the right partners may provide an excellent vehicle for achieving some of the goals and objectives related to internationalization.

The principal caveat to the logic of international partnerships involves finding the right partners. What is the *right* partner? The answer to this question will naturally vary by institution. At the very least, the partner should have similar or compatible goals and objectives. It should also be of roughly comparable academic stature within the nation. Just to find schools that meet these criteria is going to involve a lot of homework, and one should be prepared for some failures along the way. Failure is virtually assured, however, if these criteria are not met.

Dimensions of Overseas Partnerships

In what ways can overseas linkages contribute to an internationalization effort? What types of goals and objectives specified in the global vision can be addressed via these partnerships? The answers most commonly given to these questions involve the use of linkages to achieve objectives related to student and faculty exchanges. The use of linkages for these exchanges is addressed below, followed by a discussion of a more comprehensive set of activities that can be undertaken in conjunction with overseas partners.

Student/Faculty Exchange with Partner Institutions

Academic partnerships can greatly facilitate the ability to provide students the opportunity to study abroad. The common terms and conditions of partner exchanges provide for reciprocal tuition waivers (i.e., students pay tuition at their home institutions), which means that the cost to the student is often similar to studying at his/her home institution. Through such exchanges, overseas study is no longer just the domain of those from financially privileged backgrounds—it frequently costs just a few hundred dollars more than studying at the student's domestic institution. The international exposure that the exchange study provides can make an immense contribution to the participating students' global awareness and outlook.

Student exchange is probably the least complex form that an overseas partnership can take. Care must be taken that reciprocity (or some sort of *quid pro quo*) exists with partner schools, because it is almost invariably the case that partnerships do not last unless both parties benefit. In addition, the school needs to adhere to the foregoing caveats concerning institutional quality and objectives. If confidence exists that the partner can provide reasonable educational quality and care for the students, however, these exchanges can generally proceed with minimal effort.

Faculty exchange, on the other hand, is much more difficult to accomplish, even with close partners, especially if "exchange" is strictly interpreted. It is generally very difficult to find faculty members whose life situations permit an absence from his/her home institution for a semester or a year (complexities arise from spouses' jobs, children's schooling, other familial and personal obligations, institutional responsibilities, salary disparities across schools, etc.). It is almost impossible to find faculty at each institution who are simultaneously available for exchange. Such exchanges have occurred, but they are more the exception than the rule. Faculty exchange sounds easy to the administrator when being conceptualized, but its implementation presents challenges that generally will lead to much frustration and few positive results. If schools' objectives involve sending faculty abroad, it is not advisable to consider faculty exchange (strictly defined) as a mechanism for its accomplishment. Instead, the institution should devise more flexible arrangements that do not depend upon reciprocal two-way flows.

Exchange Partners vs. Strategic Partners

A useful distinction can be drawn between a school's *exchange* partners and its *strategic* partners. The former would consist of partners with which the school limits its cooperative activities almost exclusively to the exchange of students. Strategic partners, on the other hand, would be institutions that, broadly speaking, are integral to the school's global destiny. This distinction is in no way intended to denigrate an exchange relationship, because these exchanges can represent an important part of a school's internationalization program. In cases where exchanges are sought for large numbers of students, it is inevitable that the school will have several more exchange partners than strategic partners, since it is unlikely that any institution is able to maintain the close and multifaceted relations inherent in strategic partnerships with more than a few other schools. Some of the many additional forms of cooperation that frequently characterize strategic partnerships are described in the next section.

Beyond Student Exchange

What types of activities distinguish the exchange partnership from the strategic partnership? The answer will necessarily depend upon the goals and objectives of the institutions. Most fundamentally, it can be stated that the activities will go well beyond student exchange and will encompass a broad array of forms of academic cooperation. Some possible types of collaboration are presented below, divided into three major types: (1) academic programs; (2) faculty activities; and (3) executive programs. The forms of cooperation described are not intended to be exhaustive, but rather illustrative. It should also be noted that many of these forms of cooperation have been employed by schools with partners that would not be described as strategic, but rather on an *ad hoc*, arm's length basis. A truly strategic partnership would be characterized by several different forms of cooperation, and the relationship will most likely have existed for several years and involve working relations across many different units of the organizations.

Academic Programs

It is virtually impossible to receive a global education within the confines of one educational institution in one country. When working in cooperation with an overseas institution, however, it is possible to structure programs in which students can study and possibly earn degrees from two or more collaborating schools. Several variations of this theme currently exist, and many more are undoubtedly possible, limited only by imagination and institutional rules. Some existing and proposed models being used or considered by the authors' school (University of Texas at Austin) are described below.

"Reciprocal Recognition" Agreements. This form of cooperation represents an inter-institutional agreement whereby *graduates* of the partner institutions are granted waivers of specified courses that will apply toward the others' degrees. Participating students have graduated, or will shortly graduate, from their home institution and come to the partner school to study for the equivalent degree. For instance, students who have earned an MBA from a U.S. institution might go to that institution's partner school in Mexico to study for a masters degree in business and be granted waivers toward that degree based on their U.S. education. Why get two masters degrees in business, one in the United States and one in Mexico? Studying in Mexico provides the student with much greater depth of knowledge of how business is conducted in that country as well as a network of people who could become future business leaders in Mexico. Such an experience goes well beyond a one-semester exchange since it usually requires a longer period of study and, especially, because students are more likely to become integrated into the program (and culture) if pursuing the school's degree. Further, if a student wants to work in the foreign country, a degree from a recognized institution within the country can sometimes provide access to job opportunities. Texas, for example, operates such an arrangement with the Getulio Vargas Foundation in Sao Paulo, Brazil. Graduates of the Vargas MBA program who are accepted into the Texas MBA program are allowed to waive several core courses and, with full-time study, are able to obtain the Texas MBA in about one year. Similarly, Vargas offers Texas MBA graduates reciprocal privileges for its MBA program.

Double Degree Programs. The "reciprocal recognition" programs are generally based on the fact that two schools offering the same type of degree will undoubtedly exhibit a certain amount of overlap in degree content. Taken one step further, this overlap provides the opportunity to develop double degree programs that enable students to earn degrees from both institutions in a shorter time than would be required to study for the two degrees on either an independent basis or a reciprocal recognition basis. Thus, the two schools actually *integrate* their degree programs, as opposed to the reciprocal recognition programs in which the second degree is "added on" to the first.

In a simplified instance, assume that two schools both offer MBA degrees, that the core material in both programs is the same, and that they permit their students to receive MBA elective credit for one semester's study at a partner institution. In this case, each school could decide to waive the MBA core for students from the other institution *and* apply some of the elective credits earned in overseas study toward its own degree. In reality, of course, the situation is generally more complex, and it is likely that there will be some differences in requirements at the institutions. Texas, for instance, has double degree programs with three schools: ESC Lyon (France); Koblenz School of Corporate Management (Germany); and ITESM-Campus Monterrey (Mexico). In all three cases, students from these institutions waive all Texas MBA core courses, except Business Law and Finance (they must take a course on U.S. capital markets); Texas students need to take similar remedial core work at the partner schools for the double degree. Also, in each case the students on both sides are able to count a certain number of electives taken at their home institutions toward the degrees from the partner school.

The overlapping electives and the fact that students do not graduate until fulfilling the requirements of both institutions are two factors that operationally differentiate the double degree programs from the reciprocal recognition programs. Other distinguishing features of double degree programs normally include: (a) the number of students who participate each year is limited by the agreement; (b) there is a "sheltered" admission process (i.e., the applications of students from the partner institution are processed separately from other applications), whereas the reciprocal recognition program will normally require that students from partner institutions be considered with all other applicants; and (c) the expectation is that a roughly equal number of students will flow in both directions. If condition (c) is not met, then the program is really a "one-way exchange" (unless the quid pro quo takes another form). In such cases, the foreign institution is more of a conduit than a real partner.

Fusion Programs. The fusion program takes the reciprocal recognition and double degree programs one step further while incorporating the same underlying principles. "Fusion" occurs when partner institutions jointly plan and offer an integrated degree for a *cohort* of students, and this cohort studies together for the whole period of the program. All participating schools work together to design the curriculum, and various requirements are designed to be taken at each institution. For instance, a U.S. school and an Italian school might design an integrated MBA, 50 percent of which would be offered at each school to a cohort of students drawn 50 percent from each country. The "fusion" occurs because these students spend (say) two years studying together, and hosting each other in their respective countries. The resulting experience is much more intense and culturally integrative than either of the foregoing models in which individual students participate for a portion of the programs at the foreign institutions. While the authors are not aware of any fusion programs that have been in existence long enough to permit evaluation of the fusion model or concept, some schools are reported to be in the process of putting together variations of the fusion program with foreign partner institutions.

Faculty Activities

Partner collaboration that pertains to faculty usually relates to teaching and/or research activity that involves faculty participation from one or both (all) partner schools. Overseas partner institutions can provide invaluable mechanisms through which international teaching and research opportunities can be made available to faculty. Likewise, international partners can provide an equally valuable source of teaching and research resources for the home institution. In this regard, however, it is worthwhile to restate a caveat made earlier in the paper: programs involving flows of faculty should not be expected to occur on a regular basis, nor should they be expected to be balanced, even over time. The guiding principle in the development of faculty-related programs with partner schools needs to be that of *mutual benefit* rather than *equal flows*. It should also be recognized that flows of faculty will almost certainly be sporadic, rather than constant, due to the sporadic nature of needs and availability that occur on both sides of the partnership for faculty resources from partner schools. Given the preceding qualifying conditions, some of the primary ways that partnerships can be used for cooperative faculty activities are described below.

Overseas Teaching Opportunities. One of the best ways to internationalize faculty is to have them spend a period of time overseas and become an integral part of the foreign environment. A teaching assignment at an international partner school provides one of the most straightforward mechanisms for this to occur. When close working arrangements exist between schools, it is often possible to work together to serve each other's class needs by drawing on joint faculty resources to cover courses across institutions—not every term or even every year—but as the needs arise and instructors are available.

The previously noted constraints surrounding staff availability need to be recognized, and creative solutions must be developed to cope with these constraints. The solution most frequently employed at Texas to overcome the problems associated with semester or year-long absences from campus involves working with partner schools at making it possible for faculty to teach condensed classes. The most successful model has been one in which a professor teaches a 45-hour (three semester credit hour) course during a three-week period. With proper planning, it is often possible for a faculty member to arrange for three weeks during which it is not too inconvenient to be away from the home campus and the family. Naturally, it is preferable to spend a longer period overseas from an internationalization standpoint; but, if the choice is "three weeks or not-at-all," then the three-week option is generally the superior one. Also, there are periods during the year (e.g., summer) when faculty and their families may be more flexible, and longer teaching periods abroad may be arranged. As long as the criterion of "mutual benefit" is met, then we are limited only by our creative abilities in devising solutions to problems associated with spending periods abroad.

The internationalization benefits that overseas teaching provides to faculty are well understood. Less recognized, however, is the way in which cross-flows of faculty can benefit strategic partnerships between institutions. Faculty who work even for a short time at another institution are likely to make the acquaintance of some faculty at the partner school. Such acquaintances give rise to professional discussions and possibly collaboration between the faculty members. Over time, whole networks can be developed among faculty at cooperating institutions that can take on a life of their own. This possibility is much less likely if a school's faculty go to many different overseas institutions to teach. The more cross-fertilization that occurs among faculty at partner schools, the more likely the strategic partnership is likely to develop and flourish.

Jointly Developed/Offered Courses. There may be times when faculty at partner institutions can work together to develop and/or offer a course that is enriched in content relative to one which is developed or offered individually. Perhaps a mix of expertise derived from the representation of two or more countries can produce synergies that result in such a course, or perhaps complementary talent exists across the institutions. Whatever the reason, the existence of a strategic partnership makes the possibility of joint courses more likely due to the channels of communication (hopefully at multiple levels) that exist between the schools.

Jointly developed and offered courses are difficult enough to operate successfully *within* an institution; a move across institutions and national boundaries increases the level of difficulty severalfold. Yet, such courses can serve a purpose that satisfies the criterion of being mutually beneficial, which also contributes to internationalization efforts. For example, many schools offer summer programs overseas for their students, often taught by their own faculty in a leased location (frequently another academic institution). Working with a partner institution to offer such programs can make them simultaneously more feasible and more relevant. The partner institution can offer immense assistance with logistics, and the use of a faculty member from the partner to co-teach the class can greatly enrich the experience for both students and the home institution's faculty participants. By working together, the faculty members from the partner institutions could develop a class that both meets the requirements of the home institution and more directly reflects conditions of the foreign country. Further, the joint venture between the cooperating faculty can lead to other forms of cooperation alluded to in the preceding section.

Joint Research Projects. Joint research between faculty members of partner institutions can be a serendipitous outcome of putting faculty together in teaching situations at one another's institutions. For strategic partners, however, the possibilities increase for collaborative faculty research because of the multiple links being developed and the resulting "referrals" that can arise from faculty members being able to refer partner-school faculty to home-institution colleagues who share similar research interests. In addition, strategic partnerships can work to facilitate comparative research. Faculty at partner schools often have access to data, firms, and consumers in their countries that would normally be unavailable to researchers from outside the nation.

All of the preceding types of international research collaboration occur regularly between individual scholars who reside at schools that have no other institutional links. The main point being made here is that the likelihood of faculty research collaboration is enhanced in strategic partnerships due to the amount of interaction that is occurring over time and at multiple levels of the institutions. The regular interaction that occurs across multiple levels of strategic partners' organizations creates synergies that are less likely to occur when interaction is intermittent and just involves one unit of the organization.

Executive Programs

International partners hold the potential of making major contributions to each other's executive education programs. These contributions are derived from the partners' location and faculty. The international location can serve as the site of international components of executive MBA programs, and the partner's faculty can contribute to teaching in that part of the program. In addition, each partner can draw on the faculty of the other to fill gaps in their current executive program offerings. A school in Mexico, for instance, may need an expert on U.S. tax policies to teach in an executive program in Mexico. Conversely, a U.S. school may need an expert on human resources management that relates to Mexican workers. Each school could go to its partner in the other country to obtain these experts. Finally, partner schools can work together to co-produce executive programs that neither one could do individually. For instance Texas, along with Getulio Vargas in Brazil, recently partnered a program for Brazilian bank managers in which one part of the program was delivered in Brazil by Getulio Vargas faculty and the other segment was done in the United States by Texas faculty.

TRUST — THE CRITICAL INGREDIENT

The types of activities described above do not just happen overnight. They will usually result from complex and sustained interactions that require coordinated actions by multiple parties. The successful undertaking of the activities is made even more difficult by the fact that the people involved are working across wide physical and cultural spaces. The development of a curriculum is difficult enough within an institution; a curriculum that is developed across two faculties that come from two different academic traditions can be a truly daunting task.

Many ingredients are necessary for strategic partnerships to be successful: receptive faculties and administrations; commonalties of goals and objectives; compatible personalities among the people in charge of coordinating the relationship; comparable quality of faculty and students, etc. The most important ingredient, however, is the *trust* that needs to exist between responsible parties on both sides of the relationship. Without trust, a strategic partnership cannot be established or maintained.

The identification of trust as the key variable in making a strategic partnership work is consistent with the literature that exists on strategic alliances among businesses. Trust has been empirically established as the single most important factor to distinguish between successful and unsuccessful strategic alliances among business firms, and this is especially the case for cross-border strategic alliances.

While trust can be identified as the key ingredient in a successful alliance, the question immediately arises about how this condition is established. Trust is a highly intangible variable, and it is not something that is created quickly or easily. Quite the contrary, it generally takes considerable time to establish a working relationship that includes the level of trust required to attempt most of the complex forms of collaboration described in earlier sections of this article.

For these reasons, it is usually a mistake to initiate an alliance with one of the more advanced forms of collaboration. For instance, the establishment of a double degree program with a school as a first form of cooperation will generally fail, because the partners do not know each other well enough to make it happen. It is first necessary to get acquainted with each other in order to become familiar with the strengths, weaknesses, and modes of operation that characterize each institution. A good working relationship also needs to be established between the parties directly involved in the program's development. In other words, the collaborating schools have to be able to work as a team, and until this is possible, and the necessary trust has been developed, such teamwork is usually not possible. It is better to start with more straightforward, relatively uncomplicated forms of association (e.g., student exchange) before moving into the domains that require more sophisticated approaches.

Implicit in the preceding discussion is the notion that trust generally accrues over time, derived from successes in working together on various projects. Thus, it is imperative that the early joint projects be mutually satisfactory. An early failure will usually severely handicap the possibilities of further collaboration, while failures that have been preceded by a number of successful joint ventures can generally be tolerated. In addition, trust is frequently transferable to some degree. A school with a history of successful ventures with overseas partners will be accorded higher credibility by other prospective partners than will one that is a neophyte in this form of activity. Likewise, the converse also applies: a school with a history of failure, of being an untrustworthy partner, will often be eschewed by other institutions. The academic world is indeed a small one, and a school's reputation for reliability and performance (or lack thereof) travels quickly.

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CONCLUSION

Linkages with overseas business schools need to be seen in a strategic context, as an integral part of the internationalization effort. This article has attempted to examine these linkages strategically and to specify many of the forms of collaboration that can occur between partner schools. It has emphasized the concept of differentiating between exchange and strategic partners, as well as the primary importance of always considering mutual benefits and of developing a high level of trust between institutions. The formation of viable international partnerships that contribute directly to a school's efforts to internationalize is a challenging activity replete with subtleties and hazards with which most schools are unfamiliar. We hope that the ideas presented in this article can provide some assistance to those in the process of making these efforts.

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