

THE EAIE BAROMETER

INTERNATIONALISATION IN EUROPE

Second edition

MONEY MATTERS



European Association for
International Education

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The EAIE Barometer: Internationalisation in Europe (second edition) - 'Money matters'

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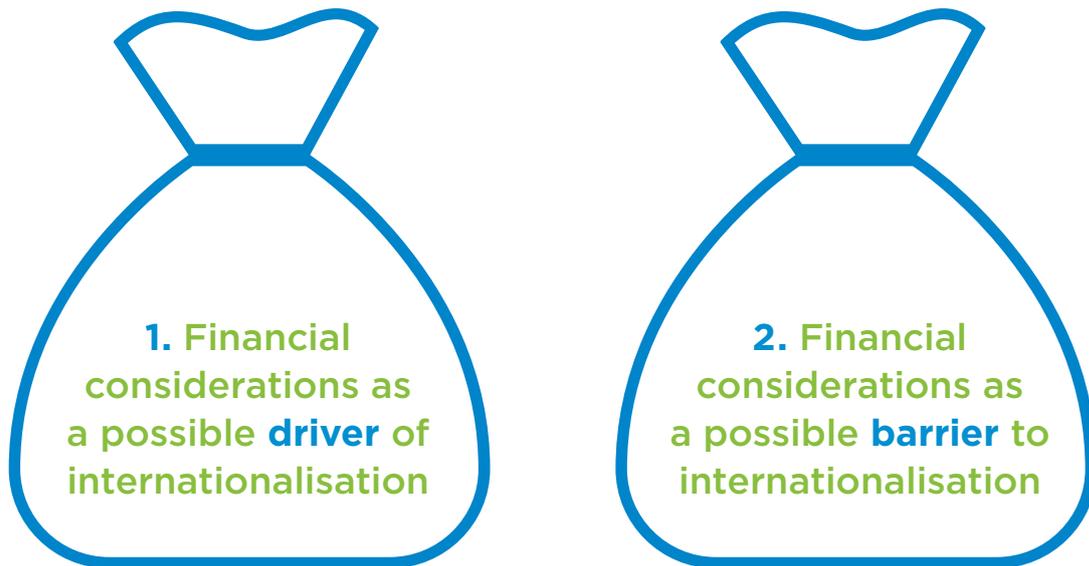
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INTRODUCTION

Financial and economic considerations have become increasingly central to the higher education sector, both in general terms and in direct relation to internationalisation. Socio-economic, demographic and political changes, as well as the rising tide of globalisation and other developments, have fundamentally shifted the way that higher education is funded in many countries around the world. Whilst some countries have benefitted from increased public spending on higher education (Warden, 2018), reductions have also been commonplace. Indeed, recent research undertaken by the European University Association (EUA) shows that governments in the United Kingdom (UK), Spain, Greece and Ireland (among others) have decreased funding for higher education by more than 20% in the past 10 years (Warden, 2018). Furthermore, “Relative stagnation of funding levels is characterising an increasing number of countries across Europe... both for systems that previously sustained a relatively ambitious funding strategy, and for those that have maintained more modest funding curves” (Pruvot, Estermann, & Lisi, 2019, p. 46).

The changing landscape of finance and funding for higher education has exerted fundamental changes on the way that internationalisation is understood and acted upon. Approaches, activities, goals and stakeholder groups are all evolving (Hudson, 2016). Indeed, some argue that “it is indisputable that globalization of our societies and economies has resulted in the fact that competition and market processes have more and more influence on the manner in which internationalization is implemented” (de Wit, 2011, p. 6). To put it succinctly: money matters.

In light of these important developments, this report considers the questions of whether and in what ways money matters to practitioners working on internationalisation of higher education in higher education institutions (HEIs) in the European Higher Education Area (EHEA), and to the institutions they represent. The analysis focuses on two main dimensions of this discussion, namely:



In order to explore these issues, this report analyses several key aspects of the *EAIE Barometer (second edition)* data (for methodology, see Annex 3). We rely heavily on responses to the survey questions which related to:

- Institutional goals for pursuing internationalisation
- Activities prioritised within institutional internationalisation strategies
- Resources allocated for strategic priority activities
- Perceptions of impact of national financial support for internationalisation and Erasmus+ funding
- Internal challenges for institutions in pursuing internationalisation
- External challenges for institutions in pursuing internationalisation

This report references insights into trends that are visible from the *Barometer* data at the level of the EHEA as a whole, as well as across the five regions of the EHEA that were the focus of the *Barometer* study: Eastern Europe, Northern Europe, Southern Europe, Western Europe and Western Asia. Indeed, when we

reference regional-level findings in this report, we are referring to the data that came from all of the countries from that particular region that participated in the *EAIE Barometer (second edition)* (see Annex 1).

However, given that funding for higher education in the EHEA is largely determined or provided by governments at the national level, we have also specifically opted to highlight country-level findings from nine individual countries: Finland, Germany, Italy, Kazakhstan, the Netherlands, Poland, the Slovak Republic, Spain and the UK. With one exception (Kazakhstan) this list is comprised of the two countries per region from which the *Barometer* survey received the greatest number of responses.¹ This approach gives us some insight at the national level across all of the regions represented in the survey and ensures our discussion of national-level dynamics draws on samples of some meaningful size (for further information on the respondents, see Annex 2). Choosing some national examples over others is a limitation, but the idea is to stimulate consideration of how financial matters play out in several concrete national contexts, which can promote interesting discussions about what this may mean for others.

Getting a handle on the ways and the extent to which ‘money matters’ to internationalisation professionals and their higher education institutions in the EHEA is a very complicated exercise. National contexts and institutional realities vary widely in this area, as in many others. But, given the crucial role that financial resources play in enabling internationalisation – from design to delivery to ongoing sustainability – shining a light on how these issues play out across the EHEA raises our collective awareness in tangible ways and may provide important insights for the future.

1. The division of regions is based on the United Nations’ list of regions. Poland and the Slovak Republic pertain to Eastern Europe, Finland and the UK to Northern Europe, Spain and Italy to Southern Europe, Germany and the Netherlands to Western Europe and Kazakhstan to Western Asia. Kazakhstan was the only country in Western Asia singled out for consideration in light of the very small number of countries from that region that participated in the *Barometer* study (see Annex 1).

FOLLOWING THE MONEY: FINANCIAL CONSIDERATIONS AS A DRIVER

Decreased public funding for higher education is a reality in many contexts, as are increasingly competitive environments for tertiary education. Combined with the fact that internationalisation activities can yield significant financial benefits in some circumstances, financial considerations could be seen as a driving factor for internationalisation.

To explore this idea, we examined the *EAIE Barometer* data connected to the following issues:



1. Financial benefits as a stated goal



2. Prioritised activities that have the potential to generate income



3. Funding of prioritised activities



4. Perceptions of impact of national financial support and Erasmus+ funding

FINANCIAL BENEFITS AS A STATED GOAL

At the European level, financial benefits are not commonly cited by *Barometer* survey respondents as a main goal of internationalisation at their institutions, with only 12% selecting it as one of their HEI's top three goals. Regionally, this figure varies from a high of 18% of respondents in Northern Europe and 17% in Eastern Europe, to a low of 5% for respondents in Western Europe and Western Asia. More distinct variations are notable between countries (see Figure 1).

Figure 1

Main goals of internationalisation* (n=2317)

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
Prepare students for global world	76%	83%	88%	78%	61%	94%	61%	55%	82%	78%
Improve the quality of education	65%	65%	69%	38%	77%	66%	54%	55%	59%	38%
Inst. reputation/competitiveness	53%	41%	51%	69%	54%	39%	66%	49%	55%	68%
Improve the quality of research	38%	38%	36%	33%	33%	26%	36%	54%	31%	32%
Financial benefits	12%	13%	6%	21%	2%	6%	27%	14%	13%	42%
Better service local community	11%	21%	9%	6%	6%	16%	14%	5%	22%	8%
Respond to demographic shifts	8%	3%	11%	10%	0%	11%	14%	4%	5%	7%
Other	1%	1%	1%	1%	0%	3%	0%	0%	2%	2%
Don't know	0%	1%	0%	1%	0%	0%	1%	3%	0%	0%

*Respondents were able to select up to three answers

FI: Finland, DE: Germany, IT: Italy, KZ: Kazakhstan, NL: Netherlands, PL: Poland, SK: Slovak Republic, ES: Spain, UK: United Kingdom

For example, among the nine countries analysed more closely for this report, the UK stands out with a full 42% of the respondents indicating that financial benefits is one of the main reasons for their institutions to internationalise. At the other end of the country spectrum, the data coming from Kazakh (2%), Dutch (6%) and German (6%) respondents in relation to this question registered only in the single digits, coming in well below the EHEA average for this question.

Clearly, the perception of financial benefits as drivers of internationalisation differs by country. This could suggest that respondents from the UK – as well Poland and Italy, to a somewhat lesser extent – were more inclined to feel that their institutions had either a greater opportunity or a greater need to make financial gains from the pursuit of internationalisation. As such, this might explain why respondents from these national contexts would be more likely to note financial benefits as a goal of the process than their peers in other countries.

PRIORITISED ACTIVITIES WITH POTENTIAL TO GENERATE INCOME

Many internationalisation-related activities can be developed and implemented by HEIs in a way that leads to both direct and indirect income generation, especially in certain national contexts. Perhaps the two most frequently cited potential income-generating activities undertaken under the umbrella of internationalisation in Europe are international student recruitment and offering programmes in non-local languages. As can be seen in Figure 2, these activities stand out as two of the top five most commonly-prioritised internationalisation activities undertaken at *Barometer* respondents' HEIs. International student recruitment and programmes in a non-local language are often related activities, as it is not uncommon for HEIs to offer programmes in a non-local language in order to attract international students, particularly in countries where the local language does not enjoy a significant global footprint.

International student recruitment as a priority activity ranged from a robust 85% amongst UK institutions to a more modest 36% among those at German HEIs

Over half of all *Barometer* respondents (53%) indicated that international student recruitment was one of their priority activities (see Figure 2). Only international mobility opportunities for home students stood out as a more frequently identified top-five priority activity (*ie* indicated as such by 68% of all *Barometer* respondents). Offering programmes in non-local languages was cited as a priority activity at a third (33%) of the respondents' institutions.

Figure 2

Top 10 internationalisation activities prioritised in strategy* (n=1917)

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
Int. mobility of home students	68%	55%	73%	62%	72%	63%	62%	74%	84%	72%
Int. student recruitment	53%	57%	36%	68%	39%	48%	72%	54%	49%	85%
Int. mobility of home staff	39%	36%	35%	15%	45%	20%	47%	54%	41%	17%
Int. strategic partnerships	38%	51%	41%	25%	40%	50%	17%	7%	40%	63%
Programmes in non-local language	33%	45%	33%	55%	16%	26%	59%	35%	42%	0%
Joint/dual/double degrees	29%	21%	35%	62%	47%	12%	24%	18%	44%	13%
Campus internationalisation	26%	26%	45%	22%	16%	31%	31%	16%	27%	18%
Internationalisation of home curriculum	21%	18%	28%	7%	13%	49%	7%	7%	23%	16%
Int. staff recruitment	20%	35%	13%	17%	20%	14%	26%	14%	8%	16%
Int. rankings-focused activities	18%	15%	8%	33%	27%	12%	26%	7%	11%	26%
Courses developing int. awareness	18%	19%	29%	7%	16%	31%	9%	5%	5%	17%

*Respondents were able to select up to five answers

When comparing results by region, it is clear that respondents at Northern European and Eastern European HEIs (at 63% and 62%, respectively) were more likely than the EHEA average to give priority to international student recruitment, whilst Eastern European HEIs (at 46%) more frequently gave priority to programmes in a non-local language than HEIs in the other regions included in the study.

Again, some consideration of national-level realities and priorities provides a more fine-grained understanding of these dynamics. For example, the identification of international student recruitment as a priority activity ranged from a robust 85% amongst respondents at UK institutions to a more modest 36% among respondents at German HEIs. The same divergence can be observed for programmes in non-local

languages, which are indicated as a priority by a solid 59% of respondents from Polish institutions, to a mere 16% of respondents from Kazakh institutions, whilst not a single respondent from a UK HEI indicated this as a priority.

Another internationalisation activity with income potential – branch campuses and TNE activities – did not make it into the top 10 activities identified as priorities by *Barometer* respondents as a whole; indeed, at the level of the EHEA, only 4% of respondents signalled that this was a priority activity. Branch campuses and TNE activities were, however, selected by more than a quarter of the UK respondents (28%) as a priority activity, further emphasising the focus on potential income generation in the UK internationalisation offering.

FUNDING OF PRIORITISED ACTIVITIES

Understanding how the activities prioritised in an HEI's internationalisation strategy relate to the available institutional funding is also relevant. Overall, more than three quarters (78%) of *Barometer* respondents signalled that at least some, if not all, priority activities benefitted from resources allocated from their HEI's budget (see Figure 3). On average, some one in five respondents (21%) indicated that all priority activities at their HEI were allocated funding in their HEI's budget, a figure that was fairly evenly distributed across the various regions of Europe.

When looking at the country-level responses, however, some notable differences emerge. Respondents representing Spanish HEIs were more likely than their peers in other countries to report having funding allocated for all priority activities (32%; Figure 3), which is interesting in light of Spanish respondents being marginally more likely than the average respondent to claim insufficient internal budget as a key challenge to enhancing internationalisation at their institution (see section 'Financial considerations as a barrier'). In Germany and the Slovak Republic, having strategies with no budget allocated to identified priority activities appears more common (with 15% and 16%, respectively, of respondents in these two countries indicating this to be the case) than in the other countries considered in this report. It is also worth noting

that quite a few respondents were unaware of the status of resource allocation to priority activities, reaching as high as nearly one in four of the respondents in Finland (24%) and the Netherlands (23%).

Figure 3

Resources allocated in HEI budget for strategic priority activities (n=1917)

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
All priority activities	21%	15%	19%	28%	23%	24%	19%	12%	32%	23%
Some priority activities	57%	56%	51%	55%	70%	46%	59%	60%	55%	62%
No priority activities	7%	5%	15%	3%	2%	6%	12%	16%	5%	2%
Don't know	14%	24%	14%	13%	5%	23%	10%	12%	8%	13%

IMPACT OF NATIONAL-LEVEL AND ERASMUS+ FUNDING

The *Barometer* data shows some perceivable levels of satisfaction with the effects of the funding that is made available from national and European-level sources. For example, 96% of *Barometer* respondents overall indicated that their institution's internationalisation efforts derived positive benefits from the Erasmus+ programme. In the countries studied in further detail, only smaller variations were discernible. The countries with the least positive views on the impact of the EU flagship programme – Kazakhstan and the UK – still recorded a favourable rating of 93%.

The perception of positive effects from national financial support for internationalisation is also in evidence (see Figure 4). This is true at both the aggregate level (56%) and in each region covered by the survey, though less so in Southern Europe (48%). Compared to other regions, a larger percentage of respondents in Western Asia (65%) express this sense of positive impact coming from national financial support for internationalisation efforts.

Figure 4**Impact of national financial support for internationalisation activities
(n=1917)**

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
Negative	6%	5%	0%	6%	1%	4%	8%	9%	9%	11%
Neutral	16%	16%	12%	14%	7%	20%	15%	20%	13%	14%
Positive	56%	57%	78%	68%	77%	43%	53%	52%	44%	29%
No impact	6%	3%	5%	0%	6%	4%	2%	11%	16%	12%
Not applicable	5%	7%	1%	4%	2%	5%	10%	2%	3%	12%
Don't know	12%	12%	5%	8%	6%	25%	13%	7%	15%	22%

In terms of country-specific analysis, German (78%) and Kazakh (77%) respondents display the most positive views on the impact of national financial support for internationalisation in their country, whereas UK (29%) respondents express the least positive views. The UK and Spain are also more likely to claim that the national financial support has ‘no impact’.

National and EU financial support are seen as clear enablers for internationalisation at the institutional level across the EHEA, if at times insufficient ones

Altogether, it seems that national and EU financial support are seen as clear enablers for internationalisation at the institutional level across the EHEA, if at times insufficient ones (see section ‘Financial considerations as a barrier’, p. 16).

MONEY AS A DRIVER: HOW DOES IT ALL ADD UP?

A relatively small number of professionals surveyed for the *Barometer* indicate financial benefits as a motivation for their HEIs' internationalisation activities. This lack of focus on financial benefits seems reasonable, given the apparent general satisfaction with national-level and Erasmus+ funding and the reported widespread allocation of institutional funding to prioritised internationalisation activities. There is evidence, however, that priority is given within institutional strategies to activities that have the potential to generate funds for the institution, most especially international student recruitment.

So, why do some (albeit a relatively small share of) institutions see financial considerations as a driver, or pursue activities that have the potential to generate income? Interestingly, the answers are not straightforward. One possible explanation could have to do with tuition fee dynamics, which ostensibly could push institutions to focus on activities such as international student recruitment for revenue generation purposes. But even here, the indications are mixed.

The widespread status of international student recruitment as a priority activity among UK *Barometer* respondents (85%) is certainly notable

The UK may offer the most clear-cut example of how tuition fee challenges and opportunities can serve as a driving force for internationalisation among the nine countries highlighted in this report. The widespread status of international student recruitment as a priority activity among UK *Barometer* respondents (85%) is certainly notable. This focus may be traceable to key national policy decisions, such as Tony Blair's Prime Minister's Initiatives for International Education, which was launched in two phases in 1999 and 2006 (Academic Cooperation Association, 2006) and focused overtly on international student recruitment (Lomer, Papatsiba, & Naidoo, 2018). The UK's early imposition of full tuition fees on international students, under Prime Minister Margaret Thatcher (Williams, 1984) may also have helped establish the framework conditions for a reliance on, or interest in,

this population. Indeed, a recent European Commission study found that, in comparison to other European countries, the “highest most common annual [fee] amounts – corresponding to around €10,000” are charged to students in the UK, specifically in England and Wales (European Commission/EACEA/Eurydice, 2018, p. 10). This may also be salient in relation to UK universities’ focus on international student recruitment.

Interestingly, however, there is hardly a straight-line correlation between national approaches to tuition fees and *Barometer* responses regarding prioritisation of international student recruitment. To illustrate this, we see that Polish responses indicate a fairly widespread focus (72%) on international student recruitment as a priority activity and, indeed, the ability of Polish HEIs to establish their own fees for non-EU/EFTA students may partly explain this. However, responses from Italy also register considerable emphasis on international student recruitment (68%), but ostensibly with less potential for ‘additional’ or ‘uniquely international’ revenue generation, given that in Italy HEIs charge the same level of tuition fees for both EU and non-EU students (European Commission/EACEA/Eurydice, 2018). One could hypothesise that in Italy, the interest in international student recruitment may have as much to do with demographic trends – *ie* population decline (Mencarini & Vignoli, 2008) as it has to do with an internationalisation agenda. Yet, only 10% of Italian *Barometer* respondents indicated that reacting to demographic shifts was a main goal for internationalisation, only slightly higher than the average for the EHEA as a whole (8%).

Meanwhile, it is fascinating to note that in the Slovak Republic, the language of study in which non-EU students are enrolled can have a bearing on the fees applied to their studies. These can be regulated by bilateral or multilateral agreements or, in the absence of such agreements, can be established by the HEIs themselves. For those studying in a language other than Slovak, tuition fees can reach €11,000 per year (European Commission/EACEA/Eurydice, 2018). Even still, among *Barometer* respondents working at Slovakian HEIs, just 35% indicate that establishing or offering programmes in a non-local language was a top-five priority activity, only slightly above the EHEA average of 33%.

In the context of this study, it seems a definitive link cannot be established across the EHEA between tuition fee requirements (or opportunities) in particular national contexts and the reasons for which HEIs in those countries engage with internationalisation or opt to prioritise particular activities. Yes, the need or desire to generate income at the institutional level, and/or to fill income gaps not met by existing funding, does appear to be part of the reality of the internationalisation experience for at least *some* European higher education institutions. However, it does not stand out as a top priority for the higher education institutions represented by the vast majority of *Barometer* respondents across the EHEA.

STRAPPED FOR CASH: FINANCIAL CONSIDERATIONS AS A BARRIER

In addition to being a factor motivating institutional action on internationalisation, financial considerations can also be seen as a key barrier or challenge for institutions to overcome in their pursuit of internationalisation. To investigate these issues in greater detail, the *EAIE Barometer* survey included questions asking respondents to reflect on both the key internal and external challenges that they perceive as affecting their institution's pursuit of its internationalisation goals. 'Internal challenges' are defined here as the barriers that an institution faces that are made apparent from sources within the institution itself, whilst 'external challenges' pertain to the barriers that are perceived to originate from sources outside the institution. Across both dimensions, our analysis finds that lack of funding is considered to be the most important challenge.

INTERNAL CHALLENGES

As detailed in Figure 5, insufficient internal budget is identified by the broad sample of *Barometer* respondents across Europe as the most important internal challenge facing HEIs in their work related to internationalisation. Just under 40% of respondents selected this variable as a top-three challenge for their institution, although a lack of commitment by some staff registered as a close second in the list of most frequently identified internal challenges (*ie* 38% of all *Barometer* respondents considered this to be a top-three challenge for their

institution). Lack of internal recognition and lack of international scholarship opportunities tied for third in the list of most frequently-identified top three internal challenges (27% each).

Figure 5

Top 10 internal challenges* (n=1917)

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
Insufficient internal budget	39%	38%	37%	22%	40%	37%	37%	59%	43%	44%
Lack of commitment by some staff	38%	42%	47%	40%	14%	46%	34%	30%	43%	31%
Lack of internal recognition	27%	26%	32%	32%	10%	26%	23%	19%	36%	28%
Lack of int. scholarships	27%	16%	21%	25%	33%	26%	48%	21%	19%	22%
Lack of student/staff foreign language skills	24%	9%	20%	29%	48%	13%	28%	23%	36%	19%
Lack of inst. structure/leadership	21%	29%	25%	45%	8%	34%	8%	9%	15%	20%
Lack of staff expertise	16%	12%	11%	25%	20%	19%	21%	17%	20%	19%
Students not pursuing int. education	16%	21%	18%	14%	12%	7%	8%	13%	14%	30%
Integration of int. students	15%	25%	11%	6%	18%	23%	24%	13%	10%	9%
Lack of int. student/staff local language skills	10%	7%	20%	15%	14%	3%	13%	10%	6%	3%

*Respondents were able to select up to three answers

The salience of insufficient internal budget as a top internal challenge to internationalisation does vary by region, however; for example, it was cited more frequently as a top concern by respondents representing HEIs in Eastern Europe (46%) than by respondents from other regions. Even still, insufficient internal budget is also identified as the first or second most important challenge for respondents in all other regions. Meanwhile, across the nine countries examined more closely for this study, different developments stand out. Insufficient internal budget varies as a key challenge from 22% in Italy to being selected almost three times as frequently among respondents working at HEIs in Slovakia (59%).

In addition, there are a number of other internal challenges related to money matters that are worth highlighting. For example, lack of international scholarship opportunities for international students was consistently ranked by respondents as the third to the fifth most important internal challenge facing internationalisation in all regions. Lack of international scholarships is a concern particularly among Polish respondents (48%), yet significantly less so among Finnish respondents (16%).

Lack of scholarship opportunities for international students was consistently ranked as one of the most important internal challenges in all regions

At the same time, perceived high tuition fees was not seen as one of the most important internal challenges that HEIs faced, and indeed was not considered one of the top ten internal challenges at the whole sample/EHEA level.

EXTERNAL CHALLENGES

As can be seen in Figure 6, insufficient external funding for internationalisation was most frequently selected by respondents across the entire *Barometer* sample as one of the three most important external challenges that their institution faces in relation to internationalisation efforts. This finding was most apparent among respondents working at Southern European HEIs. Among the countries highlighted in this study, Spain tops the list of countries where insufficient external funding is reported to be an obstacle to internationalisation (48%), followed by Poland (41%). In the UK, on the other hand, lack of external funding comes in fifth place among main external challenges, with the same number of UK respondents also indicating “lack of international recognition of the HEI” as among the top external challenges.

Figure 6
Top 10 external challenges* (n=1917)

	EHEA	FI	DE	IT	KZ	NL	PL	SK	ES	UK
Insufficient external funding	31%	26%	29%	31%	38%	28%	41%	30%	48%	21%
(Inter)national competition	28%	29%	36%	31%	26%	40%	20%	10%	34%	50%
National legal barriers	27%	30%	15%	28%	19%	17%	38%	14%	25%	61%
Perceived high living costs	24%	60%	30%	6%	20%	30%	7%	3%	3%	25%
Lack of int. recognition of HEI	24%	23%	34%	23%	22%	22%	27%	19%	28%	21%
Lack of national support/strategy	23%	17%	12%	59%	14%	9%	24%	23%	35%	15%
Lack of employer recognition	14%	21%	8%	20%	16%	13%	8%	10%	18%	8%
Low priority for int. partnerships	10%	4%	2%	14%	19%	2%	23%	20%	0%	1%
Political nationalism/xenophobia	10%	7%	8%	3%	1%	11%	35%	7%	1%	39%
Emigration of local students	7%	1%	1%	6%	4%	3%	8%	39%	5%	0%
Political instability/insecurity	7%	4%	3%	5%	3%	3%	10%	1%	8%	17%

*Respondents were able to select up to three answers

Perceived high living costs was the fourth most frequently cited top-three external challenge, reported by 24% of respondents. However, perceptions of this challenge varied wildly across regions as well, indicating very different considerations of this variable when viewed from the perspective of Eastern (5%) and Southern Europe (7%) and Western Asia (13%), versus Northern (42%) and Western Europe (32%). Perceived high living costs stood out as the biggest external challenge in Finland (60%), whereas it was only selected as a key challenge by a few Slovak, Spanish, Italian and Polish respondents.

MONEY AS A BARRIER: HOW DOES IT ALL ADD UP?

Insufficient funding, whether from internal or external sources, is clearly a concern among professionals focused on internationalisation at HEIs in the EHEA. Of course, it is not uncommon in higher education for concerns about insufficient resources to be voiced by staff, so this finding aligns squarely with generalised concerns about lack of financial support in higher education. At the same time, it is important to note that the difference in response rates across the top six most commonly-cited external challenges (of which insufficient funding was just one) was not particularly wide. This signals that, whilst financial challenges are most frequently cited, they are not the runaway concern of *Barometer* respondents across Europe when it comes to the challenges facing internationalisation.

Feelings about funding levels are something quite different from perspectives on the impact derived from that funding

Again, it is notable that very few respondents overall expressed negative views about the impact of national financial support, and an overwhelming majority cited positive effects from Erasmus+ funding. Of course, feelings about funding levels are something quite different from perspectives on the impact being derived from whatever funding is made available; *ie* there may always be a sense that additional funding is needed in order to bolster the positive effects that existing funding already offers.

SO, (HOW) DOES MONEY REALLY MATTER?

Old adages such as “money makes the world go round” and “there’s no such thing as a free lunch” remind us that – in the world we live in today – money does matter. Resources are required for the design and delivery of all aspects of higher education, including its internationalisation. As internationalisation becomes ‘big business’ in many contexts, generating billions of euros around the world through all manner of activities, making sense of how financial considerations factor into the work of international education professionals and their institutions is vitally important.

In Europe, the relationship between internationalisation and financial considerations – at least as seen through the lens of the *Barometer* data – presents a mixed picture. On the one hand, nearly 90% of respondents in the total sample reported that financial benefits are not one of the “main goals” of internationalisation at their institution. However, the top internal and external challenges identified across the total sample were, indeed, budgetary and funding insufficiencies. A large proportion of respondents indicated that their HEIs are not challenged by a lack of funding for internationalisation, yet, internationalisation activities with clear income-generation potential feature prominently in institutional internationalisation strategies.

Against this backdrop, it is challenging to generalise, but three key findings – with implications for practice – do stand out.

1. FINANCIAL BENEFITS ARE, BROADLY, OF MINIMAL IMPORTANCE

On the face of it – although it is possible that many respondents might have opted for ‘socially desirable’ responses to the *Barometer* survey – money matters do not stand out as major drivers for internationalisation across the EHEA as a whole. Widespread commitment to higher education as a public good (with variations across the region, of course) may have something to do with this outlook, as may the fact that 80% of *Barometer* respondents reported affiliation with a public institution, whilst another 14% indicated working at private non-profit institutions.

In failing to focus more overtly on financial benefits, are European institutions missing out on effectively leveraging a key advantage of internationalisation?

Of course, this is not to say that financial pressures or motivations are *not* issues in the public domain in Europe. However, in a context in which the European Commission (n.d.) allocated €14.7bn for the 2013–2020 iteration of the Erasmus+ programme, and European Parliament (2019) discussions around the 2021–2027 budget have at times suggested a tripling of that figure, it is not unreasonable to claim that Europe, broadly speaking, is a region of the world in which aspects of internationalisation enjoy significant financial support. This may mitigate the need for many institutions across Europe to pursue these benefits on their own.

Implications for practice. On the one hand, the lack of focus on financial benefits in much of continental Europe potentially gives internationalisation a different, less commercial ‘feel’ in comparison to major competitor countries like the United States and Australia, where financial considerations are much more obvious and high-stakes. This may be a strength for Europe on the global stage. Indeed, as conveyed in the *EAIE Barometer: Signposts of success* publication, respondents who report financial benefits as the main goal for internationalisation at their HEI were somewhat more likely to view their institution as underperforming compared to their colleagues internationalising

for other reasons. Respondents at such HEIs were also less likely to feel optimistic about the future of internationalisation at their institution.

But, in failing to focus more overtly on financial benefits, are many European institutions missing out on effectively leveraging a key advantage that internationalisation can provide? Are they avoiding potentially uncomfortable conversations about how financial benefits could be an important component of internationalisation strategy moving forward? Are they willing and able to openly consider the role financial benefits could play in internationalisation of European higher education today and into the future?

2. FINANCIAL CHALLENGES ARE JUST ONE OF MANY

Financial considerations of one sort or another feature amongst a variety of other (non-financial) top challenges facing internationalisation at HEIs across Europe, at relatively similar rates. Yes, there are concerns about funding levels, scholarship support and high costs of living, but financial matters do not necessarily dominate the discussion about the hurdles institutions must contend with in their internationalisation efforts.

New or greater financial investment in internationalisation hinges on making a compelling case that these efforts make a tangible difference

Implications for practice. Overall, international higher education practitioners express a clear conviction that financial support for internationalisation has a positive impact. Indeed, the *EAIE Barometer: Signposts of success* study found that respondents at HEIs with resources allocated to all their priority internationalisation activities did report higher levels of progress in pursuing these activities, as well as overall higher confidence in the present and future internationalisation efforts of their institution.

At the same time, respondents express concerns that both internal and external levels of funding are often insufficient. Closing the gap between these two positions may depend fundamentally on strengthening the sector's ability to provide evidence of meaningful results and value added. New or greater financial investment in internationalisation likely hinges on being able to make a compelling case that these efforts make a tangible difference to the individuals involved, the higher education institutions supporting these activities, and society at large. How are HEIs across the EHEA engaging with the difficult challenge of documenting impact? How will these efforts evolve and in what ways will they affect funding dynamics, if at all?

3. ENGLISH-SPEAKING EUROPE IS DIFFERENT

The UK (and Ireland, though not selected as a focal point country in this study) stands out as being particularly sensitive to money matters. The UK's consideration of internationalisation through an overtly financial lens – indeed, the country's new international education strategy, published in March 2019, employs the word 'market' over 50 times (UK Department of Education and UK Department for International Trade, 2019) – differs substantially from the way that *Barometer* respondents from other parts of the EHEA describe their interests, approaches and priorities. This is a longstanding point of differentiation that is still clearly discernible today. As political and economic circumstances evolve – in the context of Brexit and new political and economic challenges in individual countries and within the EU – it will be interesting to see if the exceptionalism in evidence in the UK continues to hold or shifts in different directions.

Implications for practice. Although it may be tempting to consider 'outlier' cases 'too different' to be instructive, a hallmark of internationalisation is an interest in the broad diversity of approaches that exist in the larger higher education ecosystem. The way that English-speaking Europe relates to money matters may indeed stem from very particular national, historical and socio-political realities, but mutual learning between HEIs from inside and outside of that context could be useful. What can UK and other EHEA

higher education institutions learn from one another, in the face of common concerns about financial viability and prospects when it comes to the future of internationalisation?

* * *

The bottom line is that money *does* matter; in what ways, however, is a matter of wide-ranging perspectives and particularities across the European higher education landscape.

ANNEX 1

DIVISION OF REGIONS

Northern Europe	Eastern Europe	Southern Europe	Western Europe	Western Asia
Denmark	Belarus	Albania	Austria	Armenia
Estonia	Bulgaria	Andorra	Belgium (French Community)	Azerbaijan
Finland	Czech Republic	Bosnia and Herzegovina	Belgium (Flemish Community)	Cyprus
Iceland	Hungary	Croatia	France	Georgia
Ireland	Poland	North Macedonia	Germany	Kazakhstan ²
Latvia	Romania	Greece	Liechtenstein	Turkey
Lithuania	Russian Federation	Italy	Luxembourg	
Norway	Slovak Republic	Malta	Netherlands	
Sweden	Ukraine	Portugal	Switzerland	
United Kingdom		Slovenia		
		Spain		

2. Kazakhstan is part of Central Asia but for the purpose of this study it is included in Western Asia, as it is the only Central Asian country covered.

ANNEX 2

RESPONDENTS

In total, 2317 individual respondents from 45 EHEA countries and 1292 unique institutions completed the *EAIE Barometer* survey. The highest numbers of survey respondents came from the Netherlands (9%, 210 respondents), Germany (7%, 160 respondents), Finland (6%, 130 respondents) and the UK (5%, 117 respondents).³ The remaining five countries analysed in further detail in this study tallied between 72 and 97 respondents, as follows: Italy 72, Poland 74, Slovak Republic 76, Spain 87, and Kazakhstan 97.

The vast majority of respondents (80%) work at public institutions, whilst 14% work at private non-profit HEIs and a further 4% at private for-profit HEIs. Just over half of the respondents work for research universities (54%), slightly more than one fifth (22%) work for universities of applied sciences, and 17% for specialised HEIs. Respondents also worked at HEIs of various sizes with 33% at small HEIs (fewer than 5001 full-time equivalent [FTE] students), 35% at a medium-sized HEIs (5001– 20,000 FTE students), and 27% at large HEIs (more than 20,000 FTE students).

The vast majority of respondents indicated that they worked full-time on internationalisation (70%). Indeed, the majority worked in their HEI's international office either as staff member (33%) or the head of office (27%). Close to one-fifth identified themselves as faculty, around one in seven worked in other administrative departments and a small minority indicated they were heads or deputy-heads of institution (5%).

3. Countries included in the study (in decreasing order by number of respondents): Netherlands, Germany, Finland, United Kingdom, Sweden, Kazakhstan, France, Spain, Norway, Slovak Republic, Poland, Italy, Romania, Switzerland, Turkey, Hungary, Lithuania, Austria, Estonia, Russian Federation, Portugal, Denmark, Georgia, Czech Republic, Slovenia, Latvia, Flemish Belgium, French Belgium, Croatia, Greece, Ireland, Ukraine, Luxembourg, Cyprus, Iceland, Azerbaijan, Bulgaria, Malta, Albania, Andorra, Liechtenstein, Armenia, Belarus, Bosnia and Herzegovina, and North Macedonia.

ANNEX 3

METHODOLOGY

The findings of this report are based on the *EAIE Barometer (second edition)* survey conducted from mid-October to early December 2017. The EAIE worked with a research partner, IFF Research, who was primarily responsible for cognitive testing of the survey, coding and online hosting, as well as data preparation and initial analysis. The online survey was sent to the *ca* 10,000 individuals in the EHEA in the EAIE contact database and was also spread via social media, industry channels and key partners. Working for an HEI in the EHEA was a prerequisite to take part in the survey. Data analysis, including cross-tabulations, was conducted, marking subgroup differences to the sample average. For this report, the subgroups included country and region.⁴

As the total population of staff working on internationalisation at HEIs in the EHEA is unknown, it is not possible to adequately evaluate the representativeness of the sample. As a result, the findings should be seen as indicative, rather than representative. The survey included both opinion and factually-focused questions on internationalisation at the respondents' HEIs. Therefore, it is important to note the data collected from respondents to this study may differ from their HEIs' formal positions or priorities.

Furthermore, it is possible that the sample is skewed towards HEIs that are more active or advanced in internationalisation, as the respondents came either from the EAIE contact database or from (social) media channels in the field. Additionally,

4. Based on the United Nations' definition of regions, the regions are Eastern Europe, Northern Europe, Southern Europe, Western Asia and Western Europe.

the respondents may have tended towards providing socially desirable answers, *ie* describing their institution as above average or reporting higher levels of progress. Nevertheless, the data analysed in this report does represent a uniquely large data set collected from international higher education professionals, directly working on internationalisation within HEIs in the EHEA.

For more information on the Methodology, please see the [excerpt](#) from the [EAIE Barometer: Internationalisation in Europe \(second edition\)](#).

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ABOUT THE EAIE

Founded in 1989, the European Association for International Education (EAIE) is the European centre for knowledge, expertise and networking in the internationalisation of higher education. As a member-led association of more than 3000 members from more than 80 countries, our mission is to help our members succeed professionally and to contribute to developments in international higher education from a European perspective.

We achieve this mission through a combination of training, conferences and knowledge acquisition and sharing. The EAIE Annual Conference and Exhibition is Europe's largest international higher education event, gathering 6000 professionals from nearly 100 countries to network and discuss the latest trends in the field. The EAIE Academy, the core of our top-class training programme, is a bi-annual training event offering a wide range of in-depth courses delivered by expert trainers. Our expansive knowledge base of publications and resources, covering all the major topics in the internationalisation of higher education, equips professionals with best practices and workable solutions to internationalisation challenges, and provides a platform for strategic exchange.

We partner with key stakeholder organisations and institutions to promote our membership's interests and advance international higher education in Europe and the rest of the world.

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ABOUT IFF RESEARCH

With over 50 years' experience, IFF Research is one of the leading research agencies in the United Kingdom. IFF provides high-quality strategic research for a wide range of organisations across the public and private sectors. IFF's home is central London, but their client base spans throughout the UK and internationally. IFF is uniquely positioned in their industry as the largest, longest-standing independently-owned agency. IFF's vision is to illuminate the world characterised by information overload. IFF's purpose is to help organisations, businesses and individuals make better-informed decisions, for the good of us all.

IFF has delivered insights supporting the development of the higher education sector for the last three decades, working with national and international sector agencies as well as individual providers. In the UK, IFF is integrally involved in the Higher Education Statistics Agency (HESA) Destinations of Leavers from Higher Education (DLHE) series, the UK's largest social survey (after the census), which tracks the career paths of graduates after leaving higher education. IFF has delivered the longitudinal element of the survey since 2004, and currently conducts the 'early' survey for around 40 providers. Last year alone IFF spoke to over 160,000 graduates.

Internationalisation is at the heart of the UK's higher education innovation, growth and sustainability, never more so than during the current unprecedented period of regulatory reform, public funding scrutiny and consumer marketisation facing all UK providers. In response to the current dynamic political environment, the IFF Higher Education team has developed innovative research methods designed to examine factors impacting the future of higher education provision. IFF continues to support the sector in the UK and internationally, to fulfil their organisational vision and purpose.

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