

# **Australian Strategy Outlook**

## **Perspectives on International Recruitment**

# DISCLAIMER

- **The presentation was delivered by ICG at the 2011 EAIE conference in Copenhagen on 14 September 2011.**
- **The presentation shall be considered incomplete without oral clarification.**
- **The opinions expressed in this presentation are those of the authors alone.**
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# HOUSEKEEPING

- The session will be introduced by Chris Madden from Griffith University.
- The ICG presentation section is geared to run at 40-45 minutes.
- About 20-25 minutes are allocated for discussion.
- ICG members will be available to answer further questions throughout the conference, and at upcoming sessions including:
  - ICG *Web 3.0 in Higher Education* report release – Thursday, 8:30 am
  - ICG *ISAFM Version 2.0* release – Friday, 8:30 am
  - EAIE session on *How Students use the Web to Counterbalance Institutional Recruiting Processes* – Friday, 1:00 pm
  - EAIE session on *International Alumni as Talent Scouts* – Friday, 3:00 pm

# AGENDA

## Introduction by the Chair

### **The Strategic Landscape for Australia – Today**

**Brand Damage**

**Talent Dilution**

**Structural Cost**

**National Policies**

**Global Competition**

### **The Strategic Landscape for Australia – Forward-looking options**

### **Discussion**

# INTRODUCTION BY THE CHAIR

- **Introduction by Chris Madden from Griffith University.**

# AGENDA

**Introduction by the Chair**

## **The Strategic Landscape for Australia – Today**

**Brand Damage**

**Talent Dilution**

**Structural Cost**

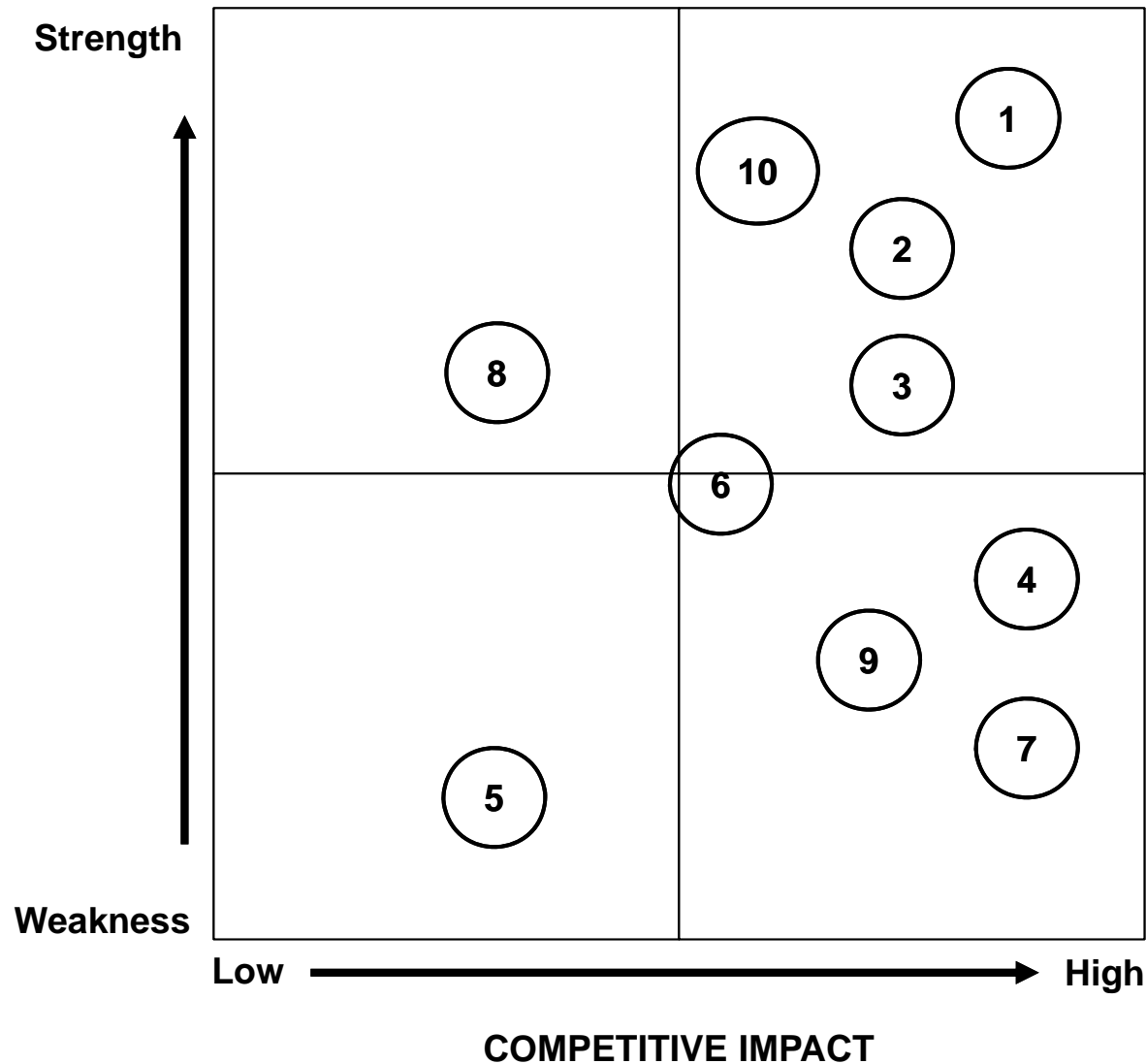
**National Policies**

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# AUSTRALIA'S STRATEGIC LANDSCAPE



- 1) Data and Analytics
- 2) Business Development
- 3) Academic Quality
- 4) Immigration
- 5) Alumni Networks
- 6) Alliances, Groups
- 7) Cost
- 8) Country Brand
- 9) National Policy
- 10) Economic Landscape

## Thoughts on brand damage –

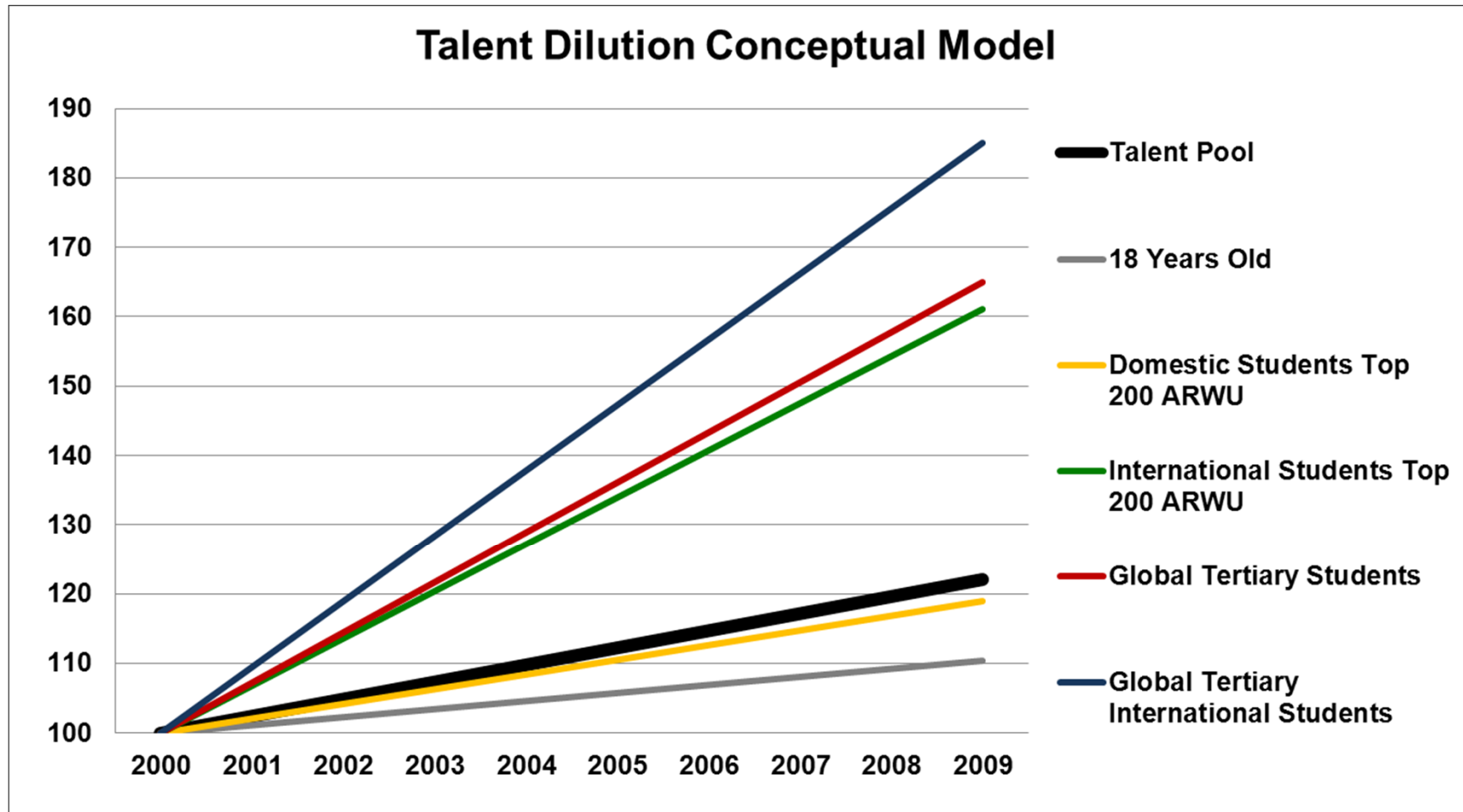
- **Brand damage is not a “confined to India” issue.**
- **The damage is deeper than often assumed because it reflects compound dynamics, which have built up over years.**
- **Damage is multi-layered, ranging from mild/temporary impairment (cost) to substantial/long-term (cultural trust).**
- **It is important to ask the right kind of people...**



## Talent Dilution

- Denotes high quality universities enrolling students today they would not have enrolled a decade ago.
- The definition of “high quality” is malleable, but centers on the leading global ~1,000 universities. This included the majority of Australian universities.
- The result of talent dilution is a host of well-observed, documented, and increasingly researched issues.
  - Academic underperformance/failure
  - Non-integration into society/culture
  - Workplace underperformance
  - Sanctions (ineligibility, alumni)
  - More...
- Talent dilution has two possible outcomes: A global re-setting of what is an accepted student performance/capability – or brand impairment.

# TALENT DILUTION (II)



Notes: This index-based talent dilution conceptual model does not claim final precision. It's aim is to discern any delta between the International Students at the Top 200 ARWU universities (sampled) relative to the global talent pool of 18 year olds. By definition, this model relies on estimates and approximations. Any negative delta larger than 15% of the International Students at the Top 200 ARWU universities index score is assumed to signal talent dilution.

Sources: OECD Education At A Glance 2010, UNESCO Education Statistics, IELTS Test Scores, United Nations Population Statistics, Academic Ranking of World Universities 2011, Universities' Institutional Enrollment Data (2000, 2009), DEEWR, OECD Pisa Test Scores.

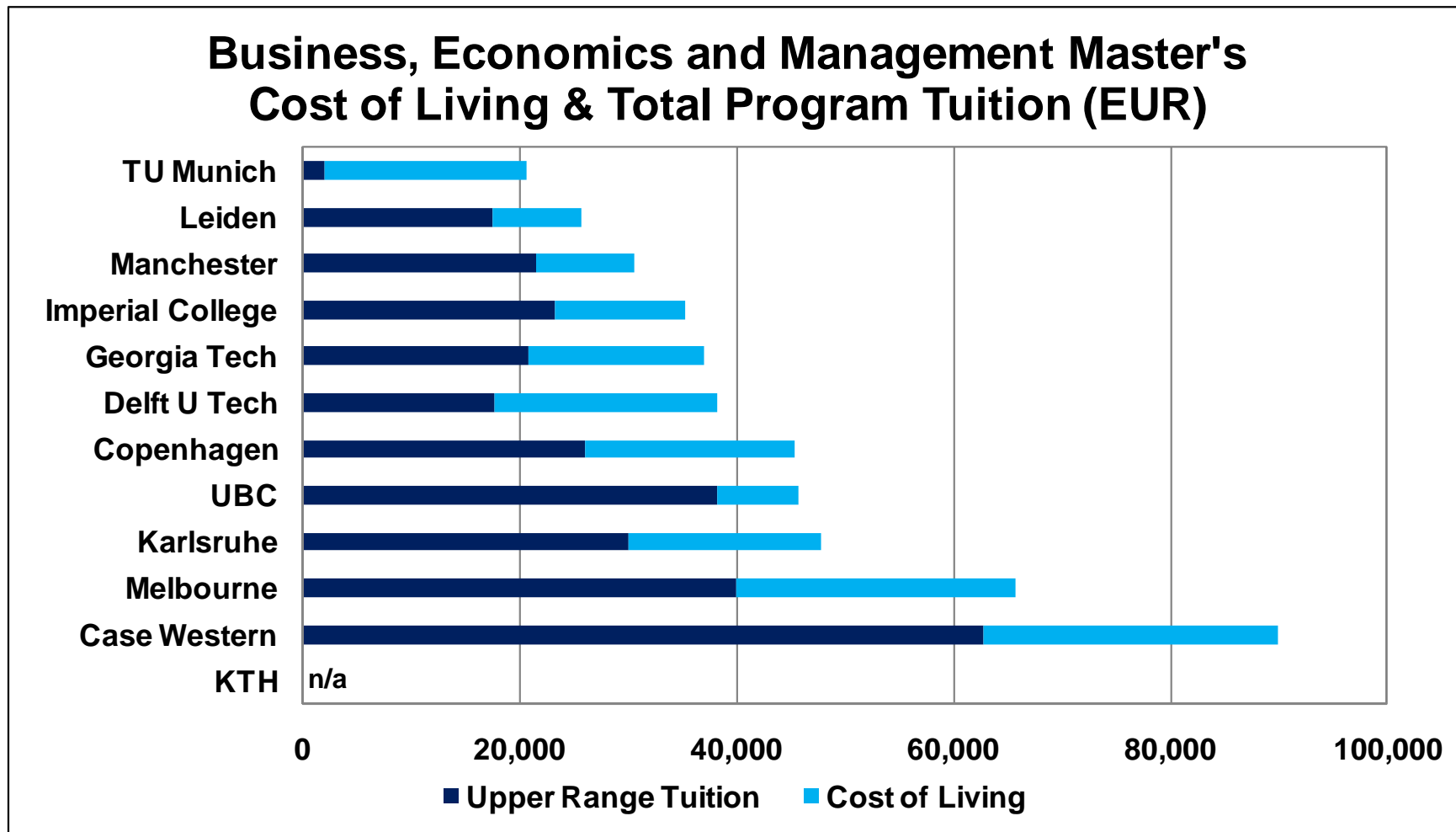
## STRUCTURAL COST (I)

	Silicon Valley	Melbourne
<b>iPod 2 64 GB</b>	USD 699	AUD 799
<b>Starbucks Venti Latte</b>	USD 3.75	AUD 4.80
<b>Six Pack of Becks</b>	USD 6.99	AUD 19.90

**Australia became a high structural cost provider 4-5 years ago...**

Note: prices do not include local/sales/VAT taxes. Prices as of September 2011.

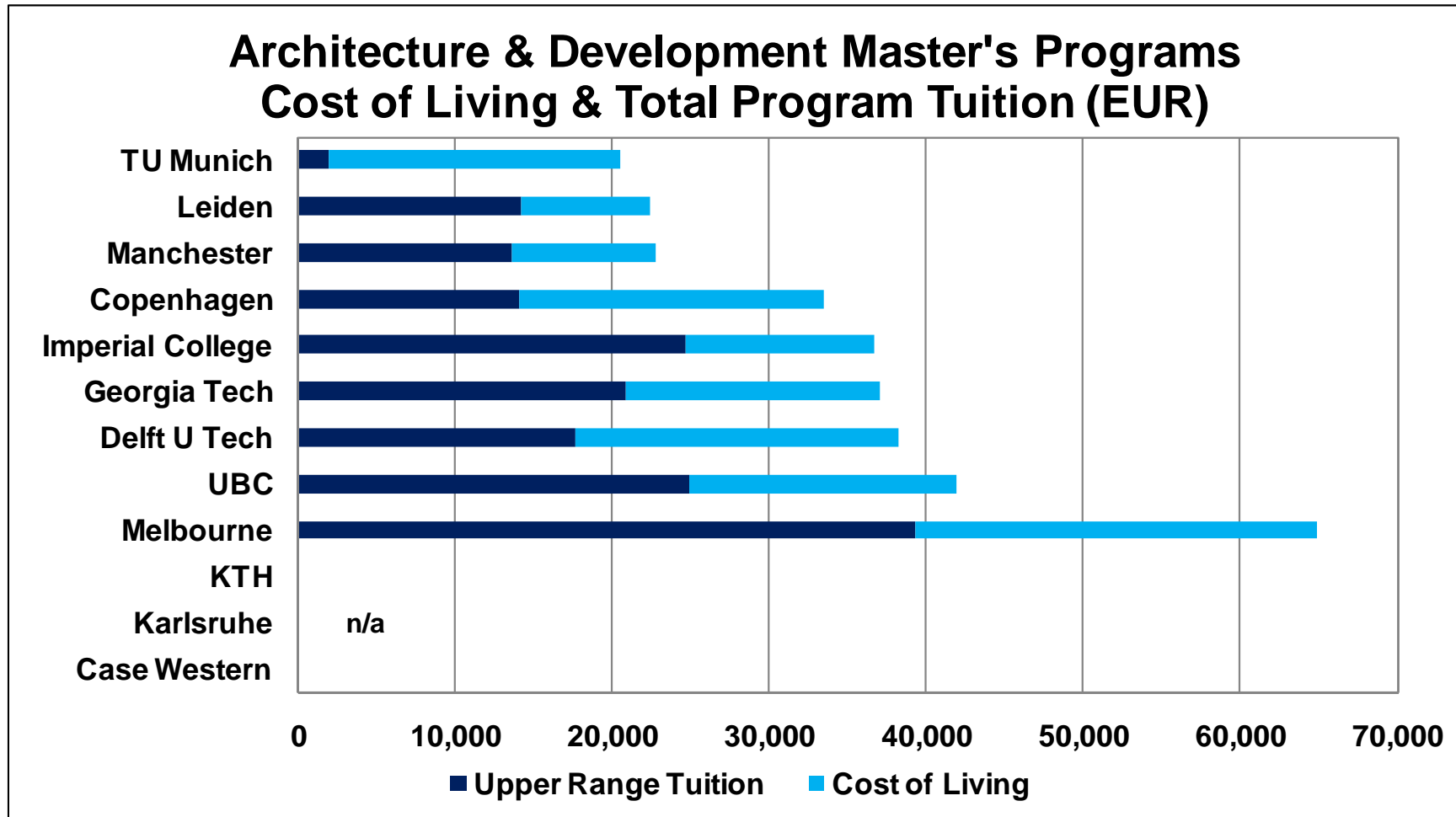
# STRUCTURAL COST (II): MASTER'S PROGRAM BENCHMARKING BUSINESS, ECONOMICS & MANAGEMENT



... based on both tuition and cost of living...

Sources: Universities, ICG.

# STRUCTURAL COST (III): MASTER'S PROGRAM BENCHMARKING ARCHITECTURE AND DEVELOPMENT



...to the point of a premium price point

Sources: Universities, ICG.

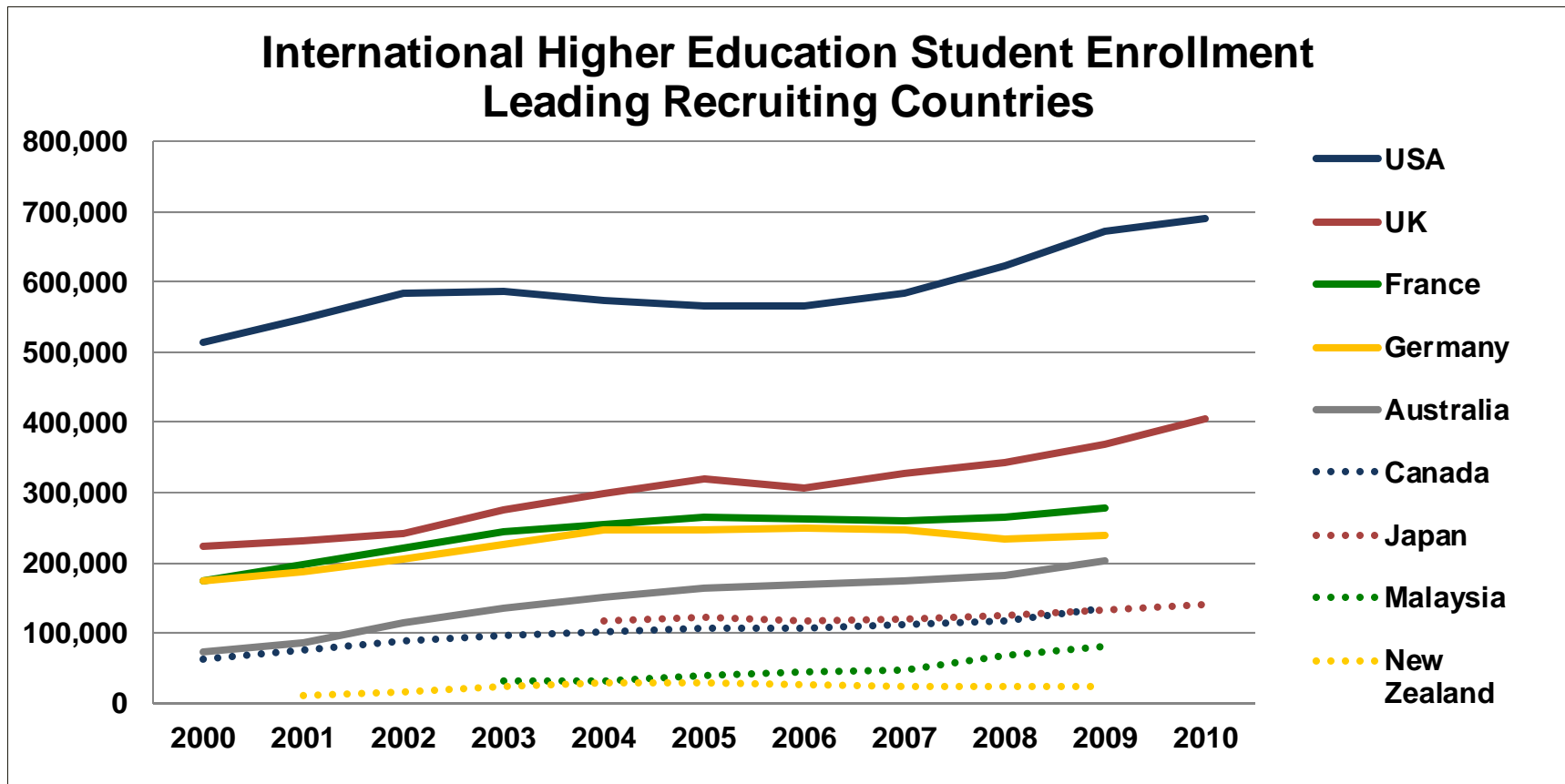
## National Policies and International Education

- **Australian international education in many ways is the child of domestic policy-making. Domestic policy interference will not cease to buffet international education.**
- **Looking back, laissez-faire, abuse, and fraud stretched the policy framework beyond its breaking point. Attempts to go back to what was a structurally unsustainable situation sound ill-advised.**
- **Contextual policy decisions have been notably imbalanced, both at the state and federal level. As a result, an external observer cannot operate with the assumption of continuity or stability.**
- **While the deep policy disconnect of the last two or so years seems to be easing, the actual influence of the higher education / international education sectors is surprisingly modest.**

## A view on key receiving countries

# GLOBAL TRENDS IN INTERNATIONAL STUDENT ENROLLMENT

## International Student Enrollment in Select Destination Countries



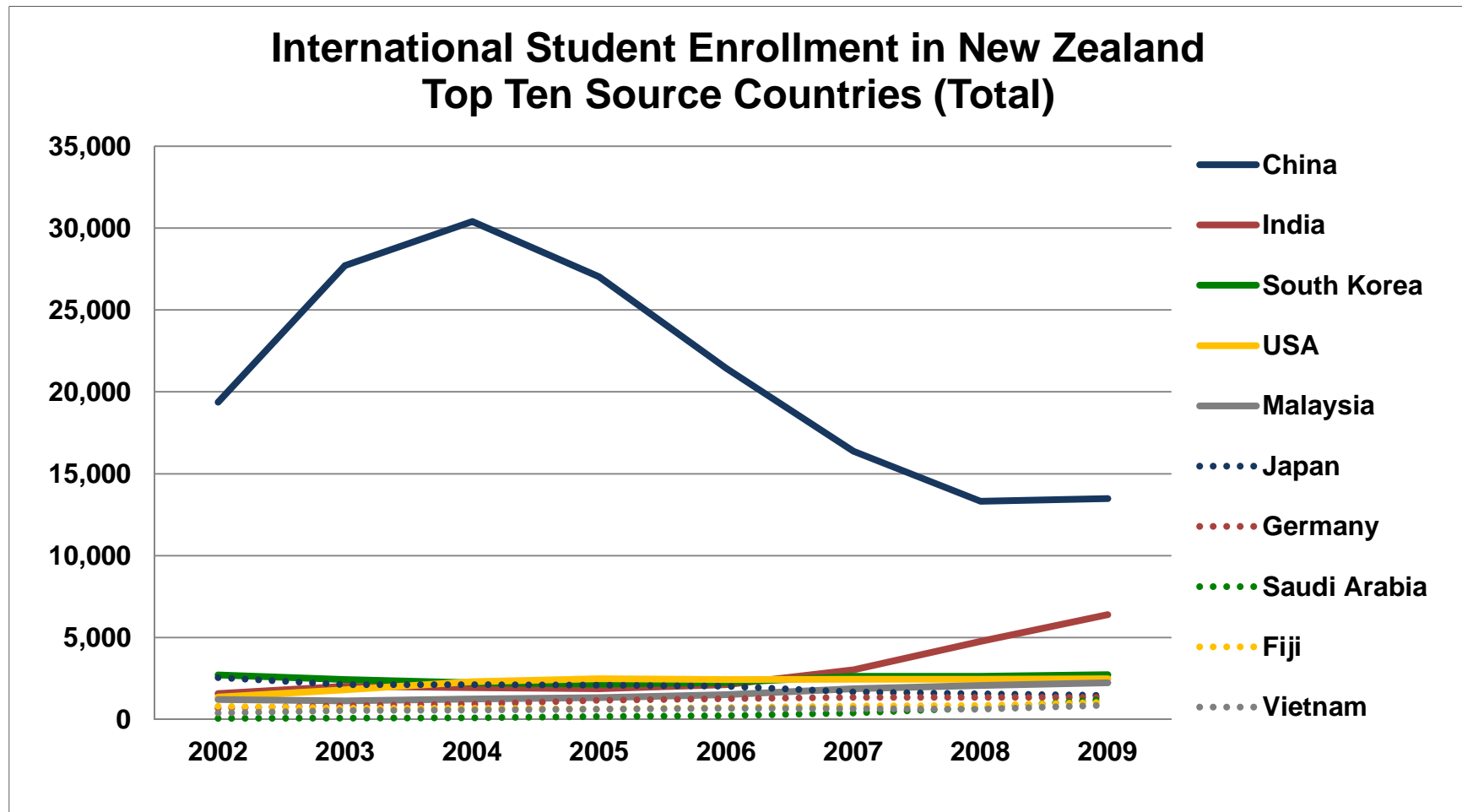
**NZ enrollments are not aligned with global upward trends**

Source: ICG ISAFM Database and New Zealand Ministry of Education.



# INTERNATIONAL STUDENT ENROLLMENT – NEW ZEALAND

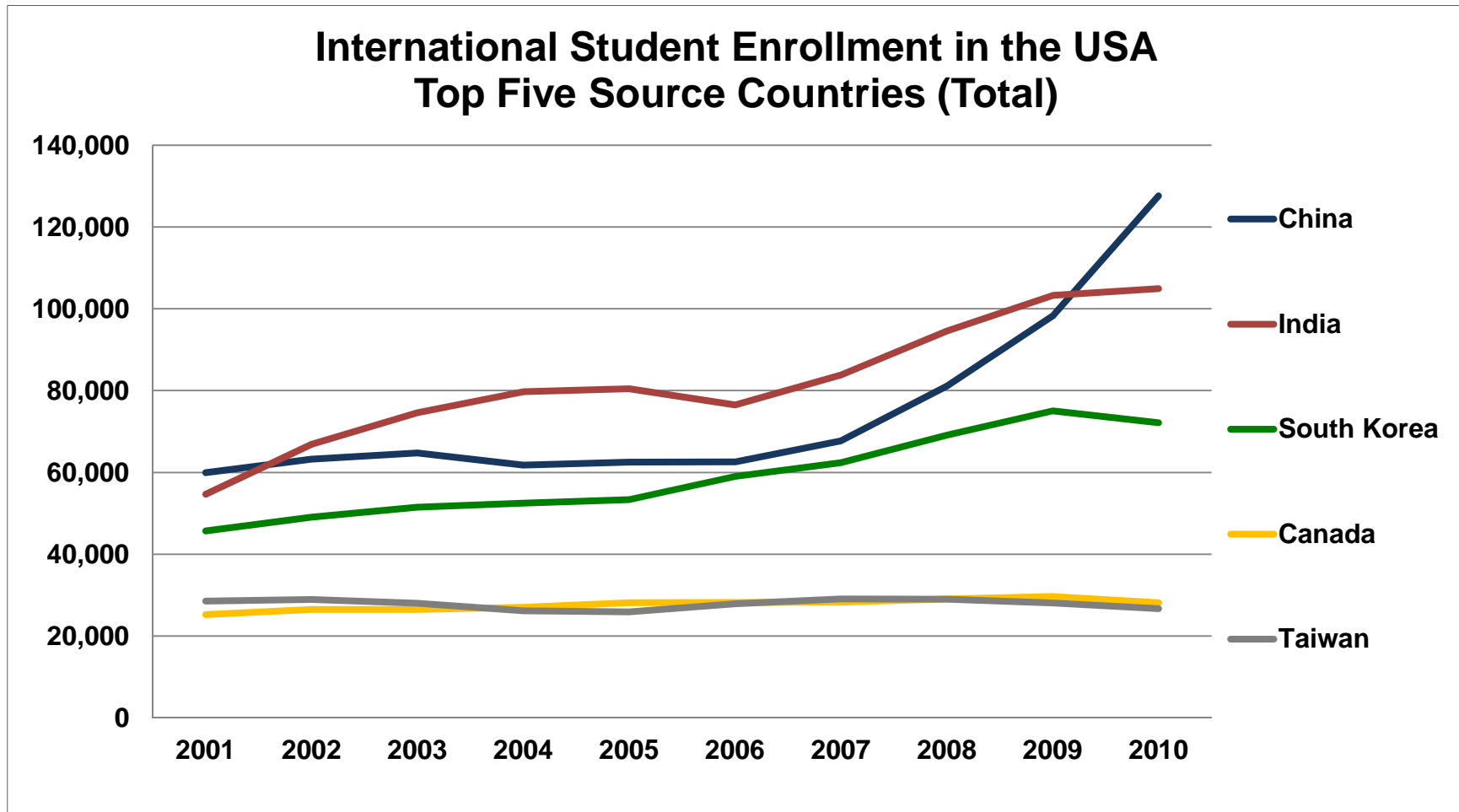
## Top Ten Source Countries (Total)



Source: New Zealand Ministry of Education.

# INTERNATIONAL STUDENT ENROLLMENT – USA

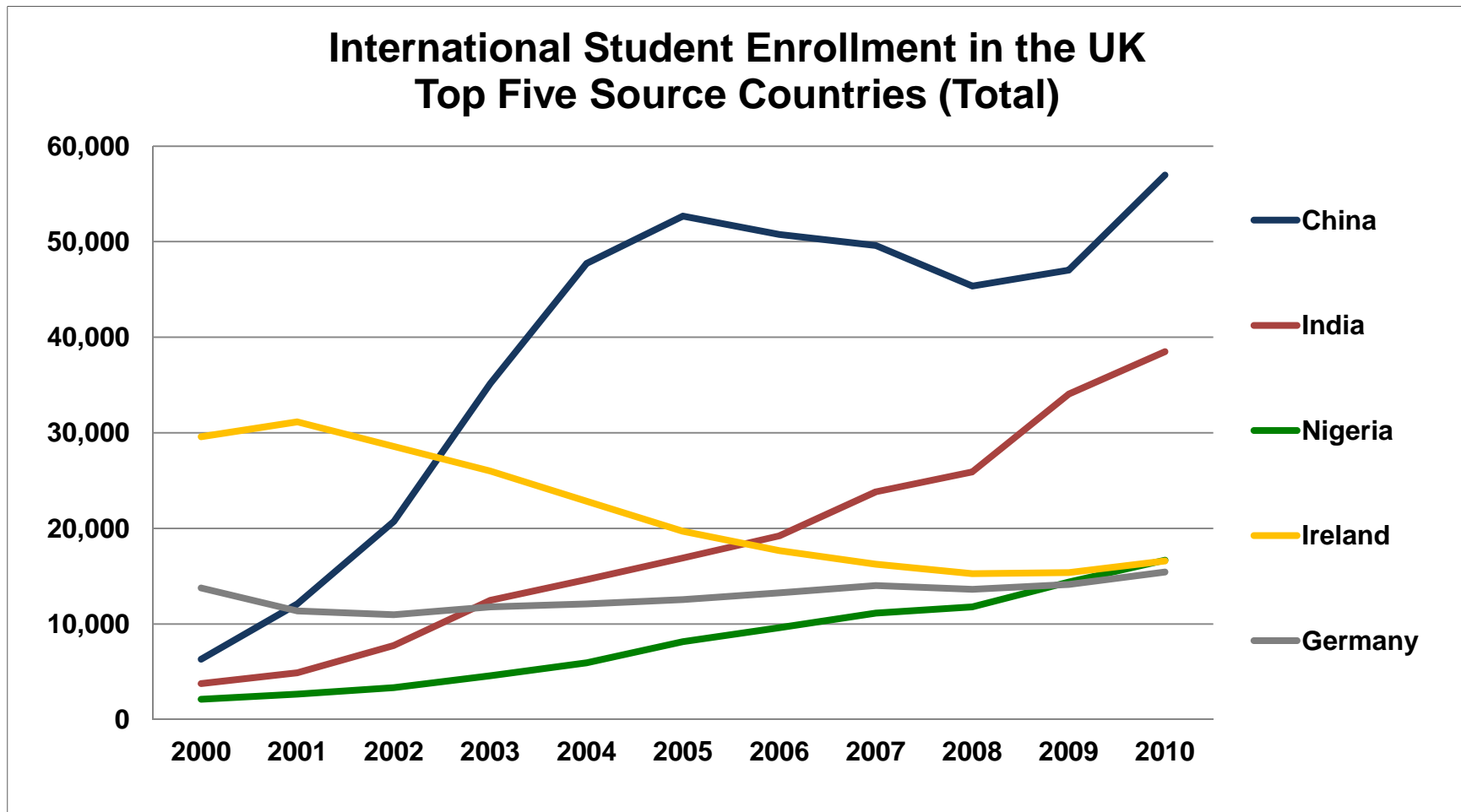
## Top Five Source Countries (Total)



Source: ICG ISAFM Database.

# INTERNATIONAL STUDENT ENROLLMENT – UK

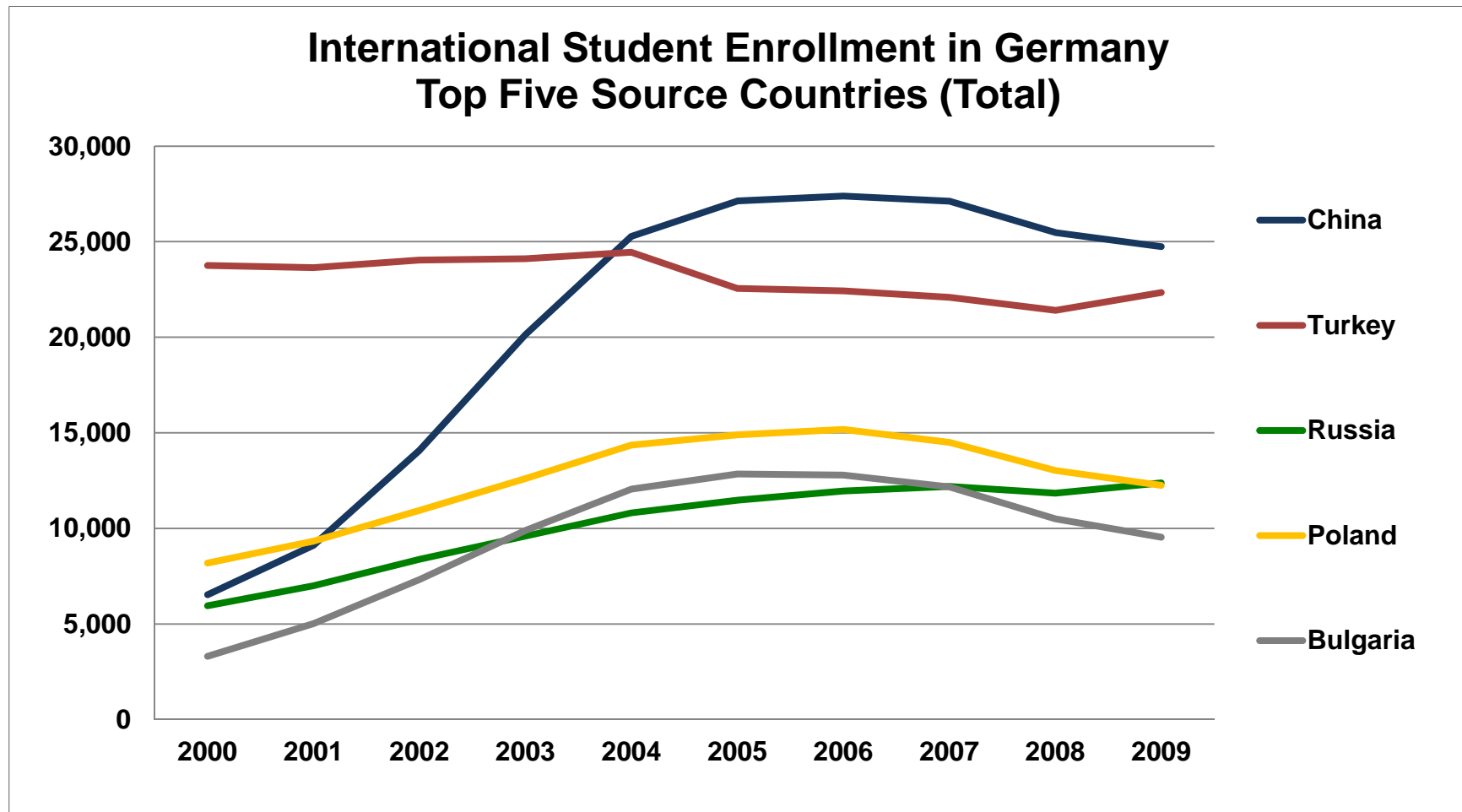
## Top Five Source Countries (Total)



Source: ICG ISAFM Database.

# INTERNATIONAL STUDENT ENROLLMENT – GERMANY

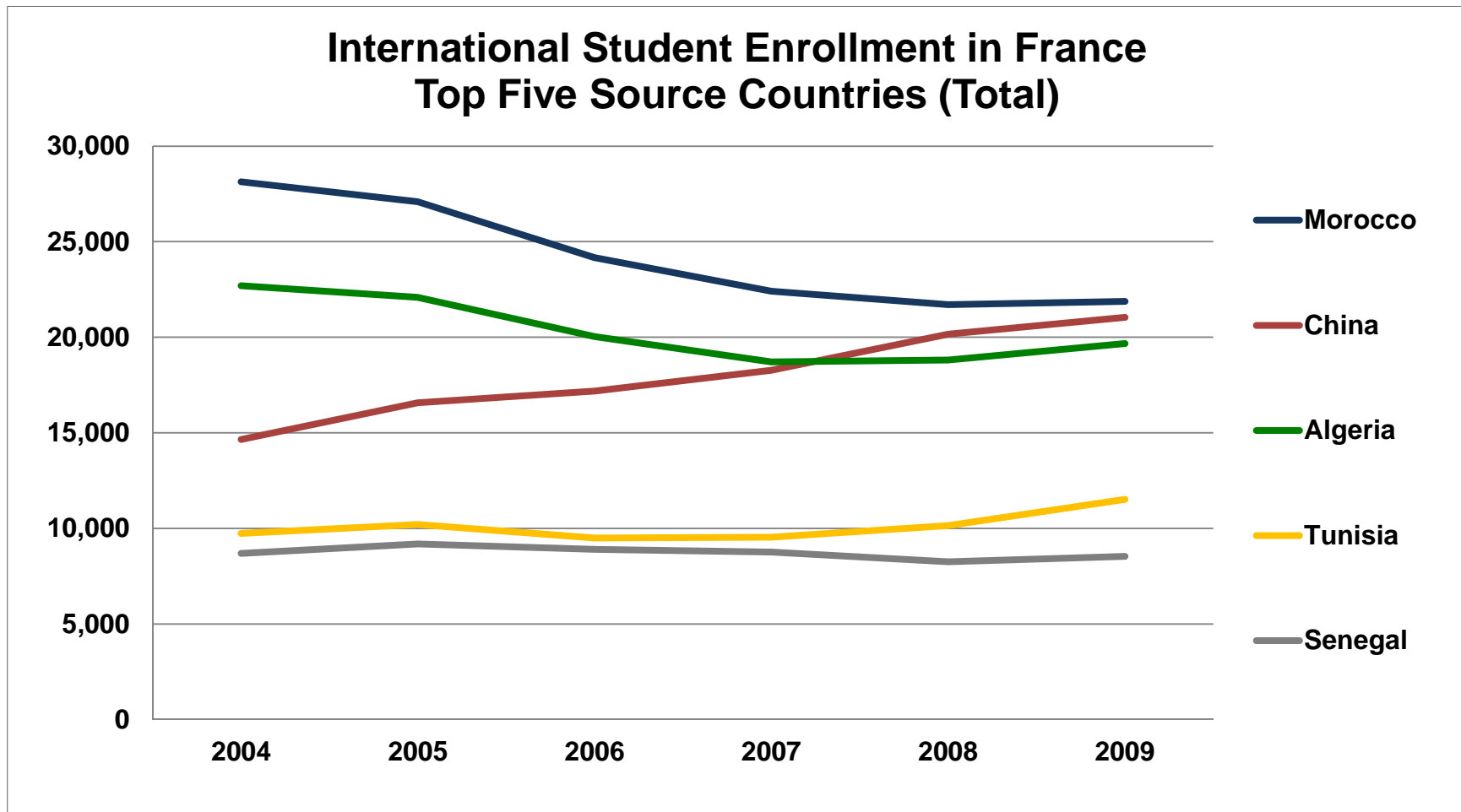
## Top Five Source Countries (Total)



Source: ICG ISAFM Database.

# INTERNATIONAL STUDENT ENROLLMENT – FRANCE

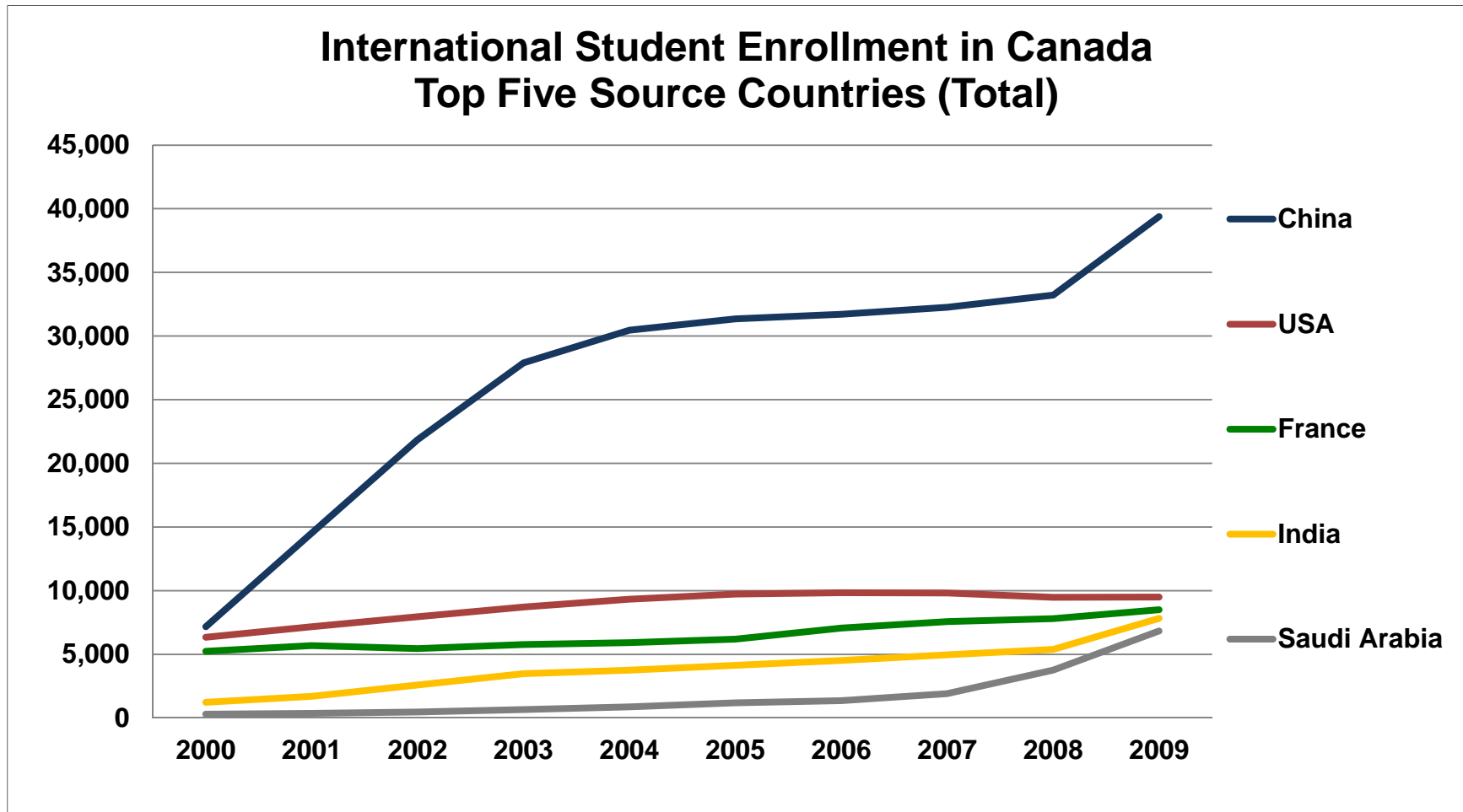
## Top Five Source Countries (Total)



Source: ICG ISAFM Database.

# INTERNATIONAL STUDENT ENROLLMENT – CANADA

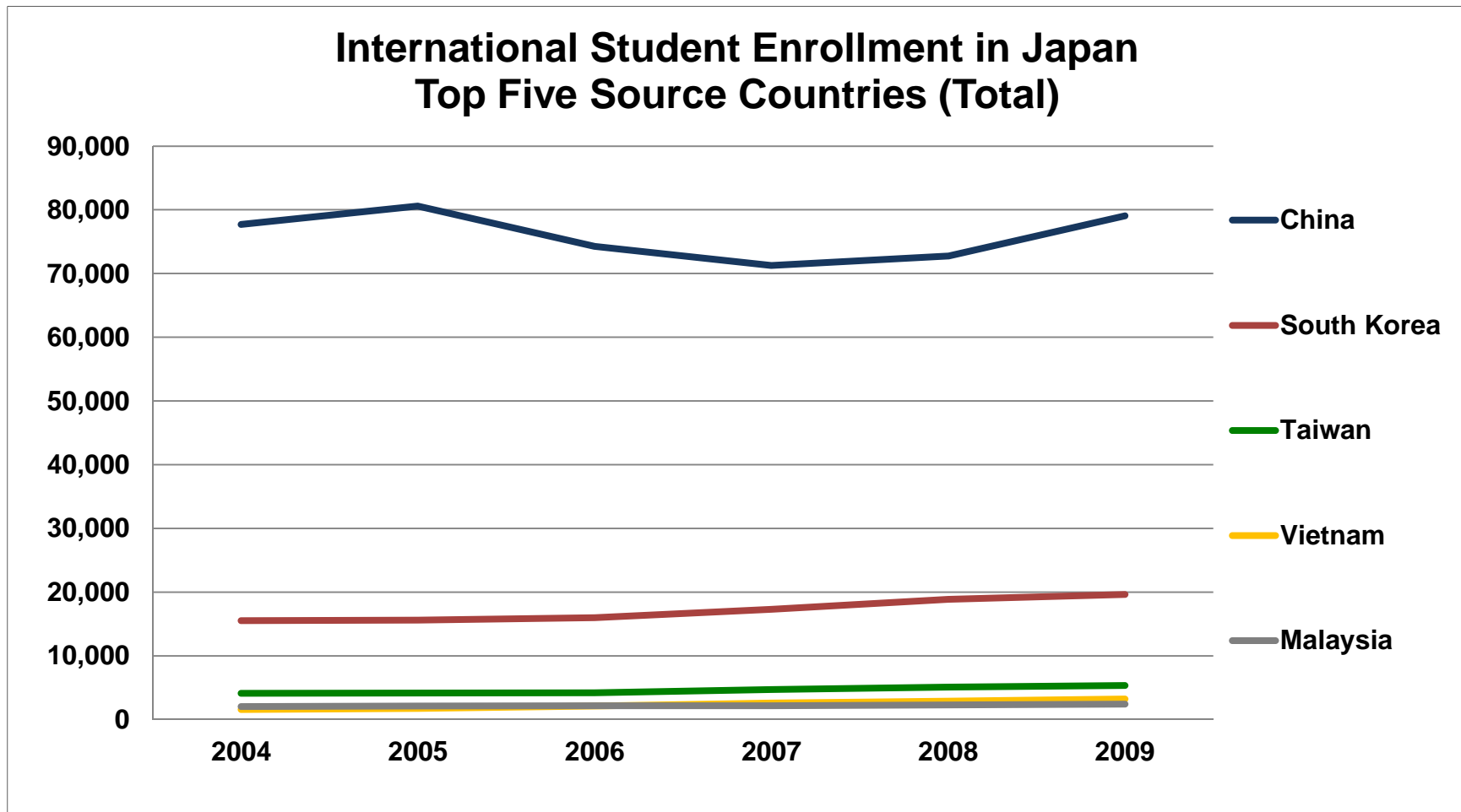
## Top Five Source Countries (Total)



Source: ICG ISAFM Database.

# INTERNATIONAL STUDENT ENROLLMENT – JAPAN

## Top Five Source Countries (Total)



**Substantial heterogeneity in the source countries' cohorts**

Source: ICG ISAFM Database.

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# STRATEGIC OPTIONS GOING FORWARD – STRATEGIC AND TACTICAL ISSUES

- **Analytics**
- **Feeders, foundation/bridge programs**
- **Trusts, Partnerships (academic/business), establishment of long-term relationships**
- **Institutional websites**
- **Web 3.0 engagement**
- **Alumni**

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