Introduction of Tuition Fees at TAMK

Benchmarking Good Practises

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This thesis is a study about the tuition fee reform that took effect in 2016, and the possible consequences it may bring to Tampere University of Applied Sciences and International Business Programme during the first application period 2017. The tuition fee applies to students who come from countries outside the European Union and European Economic Area.

The objective was to learn what has happened in Sweden after tuition fee was introduced, what methods have the Swedish universities used in order to adapt to the new situation and are there methods that would be worth utilising in Tampere University of Applied Sciences, or TAMK. The purpose was to find examples that could offer new ideas and show possible new ways to proceed.

The thesis consists of results that were collected via Email interviews from representatives of Swedish universities, and interview with Piri Hiltunen, TAMK’s representative. There was a selection of eleven Swedish universities that were contacted, and of those three were chosen for the benchmarking purpose. These interviews form the basis for benchmarking. Material to form frame of reference was collected in different sources from libraries and internet.

The results indicate that all the universities were forced to develop their marketing tactics, which was new to the universities. Jönköping University had been able to attract the largest amount of non-EU/EEA students in percentage terms. Compared to the two other universities, Stockholm University and Uppsala University, it appeared to have the most business minded approach. In that sense Jönköping University is a very interesting benchmarking target.

All the universities are competing in the same market, and the competition is rather hard. The good thing is that competition usually creates new ideas and freshens old patterns. This is likely to happen also now.
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ABBREVIATIONS AND TERMS

EEA European Economic Area
EU European Union
GPA Grade Point Average
Higher Education University level or equivalent education
IB International Business Programme
non-EU/EEA student Student who comes from outside EU or EEA
TAMK Tampere University of Applied Sciences
Tampere3 Joint cooperation project of TAMK, UTA and TUT
TUT Tampere University of Technology
UAS Universities of Applied Sciences
UTA University of Tampere

The word *university* is used in this thesis as a general term to refer to universities, universities of applied sciences, colleges, scientific colleges, university colleges, business academies, private institutes and other higher education institutes in order to make the text more fluent and reading experience more pleasant.
1 INTRODUCTION

1.1 Research Plan

This thesis is a research for the International Business program of Tampere University of Applied Sciences, and concerns mainly Bachelor level studies. It is about benchmarking higher education institutions in Sweden that have experienced the change of tuition fee policy.

The purpose was to study tuition fees in general and tuition fee policies of higher education institutes with international activities, and also which kind of good practices can be found in order to create attractive international programmes and maintain students’ interest in the competing world.

Education institutions in Sweden were chosen for benchmarking not only because of the cultural similarities and geographic closeness, but also because they experienced the transition from free studying to tuition fees for non-EU/EEA students in 2011. (EDALO Education Promotion Services: Study in Sweden, Tuition fees at university in Sweden 2010). This makes their situation very similar to what universities in Finland are facing at the moment.

Next step was to study benchmarking and the common ways of its usage. This is opened in chapter 2 with literature review. Material for benchmarking was looked for on the internet, e-library and also both TAMK’s library and the Tampere main library Metso.

Data collection was executed on internet by looking for universities with international programs and investigating how the tuition fee has affected them and what are the appeal factors that attract students to apply to a particular university.

As the amount of possible contacts was quite excessive, random selection was taken and the most suitable universities were targeted and approached via e-mail with the hopes of an interview. Few universities were considered interesting based on their reputation.

The actual interview questions to Swedish universities are presented in chapter 3. Chapters 4, 5 and 6 include the responses received from these universities. Each university is introduced separately in their own chapter.
In chapter 7 is interview with Piri Hiltunen, TAMK’s International Coordinator and TAMK’s presentative in this thesis. Chapter 8 is conclusion section with some ideas that occurred along the way. In chapter 9 there are writer’s thoughts and the last chapter, number 10 is a short follow-up. The last sections include references and appendix with a benchmarking table.

1.2 Research Question

Research question took shape ‘what kind of good practises can be found regarding the tuition fee policy in other higher education institutes?’

IB’s structure is based on factors such as the balance between Finnish and international students, high quality of education and also graduation and employment rates. Internationality is emphasized to attract not only Finnish applicants who are interested in international matters and possibly life and career abroad one day, but also foreign applicants. The courses selection is chosen based on the idea that it should profit the students in a best possible way. It is possible that the new tuition fee will affect IB in this respect and the structure may need to be re-evaluated. This could mean drastic changes, as for example finding a new target market and courses designed to attract this group, not to mention other circumstances that may need to be taken into consideration. Depending what are the consequences IB and TAMK may have to modify the structure to suit better to the new situation.

The topic of tuition fee is very interesting in Finland at the moment, as starting from the 1st of August 2017 higher education institutes are obliged to charge tuition fees from students who come from countries outside the European Union and European Economic Area. (Opetus- ja kulttuuriministeriö: Tiedote 2015)

Strong argument for tuition fee is the need to have more financial support for education and research work. There has been a lot of discussion regarding the point that the quality of education in Finland is considered good and it should not be given for free.

Swedish institutions are the closest example to benchmark because of the similarities of the circumstances; higher education was free also in Sweden before and it was a popular destination to many non-EU/EEA students. It is interesting to find out what has happened in Sweden and what their reaction was.
Change as such brings many questions and places universities in a new situation where they can truly evaluate their procedures and possible next options. It also brings fresh viewpoints such as are there possible solutions to keep attracting non-EU/EEA students, or is that even relevant anymore. Ideal situation would be to start the tuition fee system and not have it affected on the amount of non-EU/EEA students. However, it is realistic to assume that it will have consequences.

1.3 Commissioner – International Business Programme

Tampere University of Applied Sciences, TAMK, provides wide variety of study programmes for approximately 10 000 students both in Finnish and in English. In TAMK one can accomplish degrees on both Bachelor and Master’s level, specialized studies, open-university studies and other further education. (TAMK: Opinto-opas, Opetussuunnitelmat 2013)

The International Business is one of the degree programmes in English. Having celebrated their 20th anniversary recently IB was founded in 1996. IB programme leads to a degree of Bachelor in Business Administration. The degree lasts normally 3.5 years and contains exchange and practical training periods. The amount of personnel is 13 full-time employees and approximately 10 of other employees.

IB programme has become increasingly popular year by year and also foreign students have found it; of 250 degree students approximately half is said to be foreigners, out of which roughly 40 percent would be non-EU/EEA students. TAMK and IB also have partner universities around the world and every year there are estimated of 130 exchange students studying at IB.

1.4 Tuition Fee

Tuition fee is a payment that universities charge students for education. Normally it is used to fund the universities and cover the costs such as course offerings and teaching, facility related costs, and also to promote and develop education and services.
Normally by tuition fee is meant an amount that covers the costs of studying, either some part or the whole study programme, but it can also be a small registration fee. In some countries, universities decide the amount themselves and in others the fees are centrally regulated. Most of the EU and EEA countries charge some form of tuition fee from so-called “third-country students”, meaning foreign students coming outside the EU and EEA areas. The procedure and amount varies from country to another, as also the education systems have significant differences even inside countries.

Nordic countries have a long tradition of free higher education that has been financed with tax money. That has started to change recently for various reasons and has brought Nordic countries closer to the other Western nations as regards to the tuition fee policies. In 2006 Denmark introduced tuition fees being the first of the Nordic countries. Sweden was the next to launched tuition fees in autumn 2011. Their model was similar to that of the Danish system. Finland started a five-year trial period in 2010 to investigate the possibilities. Iceland and Norway have decided not to charge tuition fees so far. In these countries international students can pursue a degree without paying high tuition fees. (Oxford Research: Tuition fees for international students, Nordic practice 2013, 7, 9, 11)

Large scale reforms as such usually have consequences. The launch of tuition fees in Scandinavia has had rather interesting consequences. Denmark and Sweden, that were the first ones to implement the tuition fees experienced a drastic drop in the number of applicants from non-EU/EEA countries, especially in the number of students from Asia. In contrast, Norway and Iceland experienced an increase in the number of international students, including non-EU/EEA students. This happened some years after the introduction of tuition fees in Denmark and Sweden. According to Oxford Research this suggests ”that these students are choosing programmes in Norway and Iceland as a result of the tuition fees in the other Nordic countries.” (Oxford Research 2013, 11, 12)

In many of the countries in question the arguments for and against have been similar. In Denmark and Sweden the introduction of tuition fee is considered to improve the quality of education and competitive position of the universities, whereas in Norway and Iceland arguments suggest that the number of non-EU/EEA students may drop, as did
happen in Sweden and Denmark. This may cause problems with universities that are located in more remote areas. Also the basic idea of higher education being available equally to everyone has been a strong argument against the tuition fees.

1.4.1 Tuition Fee in Finland

Finland is well known around the world for the high quality of education, and that it has been free of tuition fees. This has now changed. Legislation regarding higher education institutes in Finland was amended in 2015 and it obliges the universities and universities of applied sciences to charge tuition fee from students who come from countries outside the European Union and European Economic Area, with the exception of Norway, Switzerland and Liechtenstein, who have a special agreement. The amended law came into effect 1.1. 2016 and it will come into operation starting from 1.8. 2017. It does not concern students who have started their studies before autumn 2017, but only students who start after the date.

Universities and universities of applied sciences can determine the amount of tuition fees themselves, so the amount can vary depending on the university and the degree. They should also decide on a scholarship or diploma procedure to support the students who apply to the programmes with tuition fee. According to the law, part of the tuition fee should be used also to develop employment services.

The new amendment applies to studies pursued in foreign language, for example English. At least, at the moment degree programmes in Finnish and Swedish languages are free of tuition fees, regardless the student’s nationality. Lately there has been public discussion about the topic whether universities and UAS’s should charge tuition fee from all the students including also degrees in Finnish and Swedish. Arguments have been expressed for and against the idea.

According to the Finnish Ministry of Education and Culture the objective of tuition fee is to enhance the quality of education as a competitive factor and extend the funding base. Later objective would be to develop operations to encourage foreign students to stay and work in Finland after studies. (Opetus- ja kulttuuriministeriö: Tiedote 2015) This could be executed, for example, by tax deductions, as stated in the Government
Finnish government will continue funding education; tuition fee is considered as additional funding to be used for developing the quality and services within the institutions. (Opetus- ja kulttuuriministeriö: Tiedote 2015)

**Pilot Project**

The tuition fee process got its start with a pilot project that was initiated for the period of 2010 - 2014. Finland was the third Nordic country to introduce the tuition fee reform. All in all, 41 programmes in nine universities and ten UAS took part in the project and charged tuition fees from non-EU/EEA students. The programmes had to be taught in English and be at Master's level. The programmes also had to offer a scholarship scheme (Oxford Research: Tuition fees for international students, Nordic practice 2013, 11, 14). The results were encouraging enough as the government decided to introduce the tuition fee in all the higher education institutes in Finland.

**For and Against**

In Finland the main opposers of the reform have been student organisations along with some academics and politicians, who fear that it will decrease the amount of international students, as did in Sweden and Denmark. (Liiten, M., hs.fi: Hallitus yllätti: Ulkomaalaisille opiskelijoille vähintään 1 500 euron lukuvuosimaksu 2015) This could harm the international environment and diversity that has been intentionally developed in Finland during the past years.

It has been argued that this could start a wider series of reforms which would eventually lead to introduction of tuition fees for Finnish students as well.

Strong argument against the tuition fee has been equality, as in other countries as well. Free education offers better opportunities for students from developing countries to take part in higher education. Tuition fee narrows this and favours wealthy students. (Weimer 2013; Välimaa 2015)
Among the supporters of the tuition fees are Ministry of Education as well as business representatives and some university managers. They suggest that tuition fees could be a new source of revenue for universities, which could then be used to develop them. This supports the idea that it is unfair for Finnish taxpayers to pay education for foreigners, who may not stay in Finland afterwards. According to them the reform would make Finnish universities more competitive in the international market because it would enhance the quality of teaching. (Välimaa 2015)

1.4.2 Tuition Fee in Sweden

In Sweden the higher education system consists of universities and colleges. There are also private institutions. (Oxford Research 2013, 30)

Tuition fee was introduced in Sweden in autumn 2011 for non-EU/EEA students in both Bachelor and Master levels. In addition to that non-EU/EEA students will be required to pay registration fee. (EDALO Education Promotion Services: Study in Sweden, Tuition fees at university in Sweden 2010)

Universities are allowed to decide the amount of tuition fee themselves. Normally it is something from 9 700 € to 15 000 € per academic year. The registration fee is approximately 95 €. It was set according to the proposal of Swedish Ministry of Education. (EDALO Education Promotion Services: Study in Sweden, Tuition fees at university in Sweden 2010)

The fee is to compensate the administrative costs related to the implementation of the tuition fees and discourage speculative applications; if people who apply have to pay for the application they are probably more committed to the studies. (Oxford Research 2013, 28)

Sweden introduced the tuition fees for very similar reasoning as the Danish reform was made. It was considered important that the Swedish education system meets the demand for higher education especially among the citizens of Sweden. Another argument was improving Sweden’s competitive position in the education market; universities must be able compete with universities in other countries on equal terms. They should also be able to attract students with good study environment and high academic standards instead of offering free education. (Oxford Research 2013, 28)
When the tuition fee was introduced in Sweden the number of non-EU/EEA students dropped from approximately 8000 students in 2010 to approximately 2000 in 2011. The difference was significant and quite similar as to what happened in Denmark in 2006. In both countries the decline was mainly due to a decrease in the number of students from Asia. To respond to the changes Sweden introduced several initiatives directed to international markets. These included broad marketing campaigns and increased funding for scholarships. (Oxford Research 2013, 11, 12)

1.4.3 Tuition Fee in Denmark

The higher education system in Denmark consists of universities, university colleges, business academies and other higher education institutes, that have programmes up to Master’s level but do not have university titles, for example the School of Architecture. Denmark was the first Nordic country to introduce the tuition fee and has over 10 years of experience in this matter. (Oxford Research 2013, 22, 23)

Tuition fee in Danish universities took effect in August 2006. (Grønnegård 2015, 2) As in Finland and Sweden, it was directed to students coming from countries outside EU and EEA areas, and was eventually applied to all the higher education programmes. (Oxford Research 2013, 11)

Tuition fee for full-degree students is on average 12000 € - 15000 € per year. (Pop: Study in Denmark: Tuition Fees and Living Costs 2016)

The institutions are authorised to determine the amount of the tuition fee they charge. However, according to recommendations it should correspond to the costs of the programmes. Institutions can charge a higher tuition fee and in these cases the surplus is usually used to fund free places, scholarships and so on. (Oxford Research 2013, 23)

Institutions and Danish government have developed scholarships, funds and other types of financial assistance for students who are obliged to pay tuition fees. (EDALO Education Promotion Services 2010; Vioreanu 2017)

The aim of introducing the tuition fee was to avoid the Danish government from paying education for students from third countries and, to attract the best qualified students from all over the world and to meet the high international standards in order to be able to compete in the international markets. (Oxford Research 2013, 22, 23)
During the first few years after the tuition fee was launched Denmark experienced a significant decrease in the number of non-EU/EEA students. As later in Sweden, in Denmark the decline was mainly caused by the decrease of students from Asia. The universities acted upon to enhance the student amount and created a number of initiatives to attract non-EU/EEA students. Operations were successful and led to a rise of the number of non-EU/EEA students. (Oxford Research 2013, 11, 12)

From 2005 to 2010, the number of international students in Denmark rose by 103 %. (Oxford Research 2013, 26 Table 6). The number of students from EU/EEA countries increased 154 % between 2005 and 2010. All in all, the number of non-EU/EEA students was consistent in statistics between 2005 and 2010. Reason for this was that the number of non-EU/EEA students declined 31 % in universities and increased 54 % in the business academies. (Oxford Research 2013, 26)

The increase in the numbers was mainly due to the scholarship systems and marketing initiatives. (Oxford Research 2013, 11) More international programmes were also introduced to attract international students, and a reform executed which intended to consolidate institutions to create fewer but stronger institutions. (Grønnegård 2015, 16)

1.4.4 Tuition Fee in Norway

The higher education system in Norway consists of universities, scientific colleges and university colleges. This includes three private scientific colleges and 24 private university colleges, which receive grants. (Oxford Research 2013, 19)

The Norwegian state universities and university colleges do not charge tuition fees. Studying is generally free on each level also for students outside the EU/EEA area. There is, however, an obligatory semester fee to be paid every semester. It is approximately 30 € - 65 € and includes the right to take exams, membership in the local student welfare organisation and many other benefits related to culture, sports and transportation. (The Norwegian Centre for International Cooperation in Education, 2007)

Free education in Norway is based on the idea that everyone should have an equal opportunity to study at higher education level as long as they meet the academic requirements. It is also thought that it adds value to the country if higher education is available to everyone. These are the same ideas Finnish education system is based on. The difference is that the Norwegian economy is able to facilitate this, which may not be the case in Finland anymore.
There has been discussion also in Norway should the public sector also start to charge tuition fee from non-EU/EEA students, but so far the proposals have been rejected. For now, the Norwegian system is based on the student’s academic competences rather than the financial aspect.

Arguments for the introduction of tuition fee suggest that due to the development in the other Nordic countries the universities in the public sector may come under pressure during the next years.

If the number of international students increases significantly, there would be fewer opportunities for native students in the universities. This would increase the incentive to introduce the tuition fees also in Norway. (Oxford Research 2013, 19)

Arguments against the reform are quite similar to those expressed in Finland as especially student organisations fear that introducing the tuition fees for international students could open the door to introduce them for domestic students as well.

Staff at the Northern universities and university colleges argued that tuition fees could be a disadvantage for them; because of their geographically remote locations they could lose many international students, for example, from China and Russia as they could not compete with other universities. (Välimaa 2015)

Free of charges studying in Norway applies to the public sector. Private sector has their own system which includes scholarships. They also receive grants as funding. The private sector is quite well developed and offers programmes for both Norwegian and international students. (Oxford Reasearch 2013, 19)

Most of these private institutions charge fees for all their programmes and courses, and the amount charged is the same for everyone regardless of nationality. Usually these fees are lower than in other countries and their comparable studies. (The Norwegian Centre for International Cooperation in Education 2007)

The private sector universities have scholarship system that is available for all the students. The criteria to award a scholarship is based on the academic competencies. (Oxford Research 2013, 20)
1.4.5 Tuition Fee in Iceland

There are in total of seven universities in Iceland. Four of them are organised by the public sector. Three are private and receive grants. The private universities charge tuition fees from all the students and the amount varies depending whether students are from inside or outside EU/EEA.

For EU/EEA students fees range from 1 800 € to 3 600 €, and for non-EU/EEA it is normally between 6 000 € and 9 000 € per year. (Oxford Research 2013, 21)

Studying in the public sector is generally free, and international students do not have to pay tuition fees, as the idea is that access to higher education in Iceland should be free for both national and international students. (Oxford Research 2013, 20)

However, the public sector universities charge a small annual administration fee from all the students. (Oxford Research 2013, 13) Normally, the registration fee ranges from 100 € to 250 €. (EDALO Education Promotion Services: Study in Iceland, Tuition fees at university in Iceland 2010) Universities suggested the fee so that students would be more committed to their study programmes. (Oxford Research 2013, 20)

According to the study Oxford Research (2013, 21) conducted, representatives from Icelandic universities stated that they had felt the consequences when Denmark and Sweden introduced the tuition fees. The number of international applicants was significantly higher than earlier, and especially the number of students coming from the developing countries. These applicants cannot afford to pay high tuition fees and apply to countries with free education possibilities. Icelandic universities then introduced the administration fee because it would help to reduce the costs related to the international students.

According to the same Oxford Research (2013, 24) and Icelandic universities, the non-EU/EEA students were the group which had the biggest increase in percentage between 2005 - 2010 in Icelandic universities. This suggests that the registration fee did not have a negative impact on the international students, but more like positive consequences as the students continued to apply and the fee reduced costs of administrative work caused by the international students.
1.5 Tuition Fee at TAMK

TAMK has chosen a fixed amount of tuition fee for both study levels for non-EU/EEA students per academic year:

- 9 800 € for bachelor level studies
- 10 800 € for master level studies

Payment schedule is divided into two sections, May and August, and it includes scholarships that affect the payments. Payment schedule for Bachelor’s level is as shown below.

<table>
<thead>
<tr>
<th>Scholarship</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st installment</td>
<td>4 900 €</td>
<td>4 900 €</td>
<td>4 900 €</td>
<td>2 450 € - 3.5-yr / 4 900 € - 4-yr</td>
</tr>
<tr>
<td>2nd installment</td>
<td>4 900 €</td>
<td>4 900 €</td>
<td>4 900 €</td>
<td>2 450 € - 3.5-yr / 4 900 € - 4-yr</td>
</tr>
<tr>
<td>Scholarship</td>
<td>Early Bird for fast confirmation</td>
<td>Academic Award for successful studies</td>
<td>Academic Award for successful studies</td>
<td>Academic Award for successful studies</td>
</tr>
<tr>
<td>Reduced from 2nd installment</td>
<td>4 900 €</td>
<td>4 900 € or 2 450 €</td>
<td>4 900 € or 2 450 €</td>
<td>2 450 € / 1 225 € or 4 900 € / 2 450 €</td>
</tr>
</tbody>
</table>
Early Bird scholarship is for the first year. The idea is to have students make their decision fast and commit to the study programme. Student receives the Early Bird scholarship if they confirm the study place within seven days after being accepted. The scholarship is 50% of the first year’s tuition fee, that is 4 900 €, and is reduced from the second installment which is to be paid by 31 of August.

Academic Award scholarship is also reduced from the second installment made for the school year. It is awarded to students with successful study progress.

For example, on the second year of studies the full Academic Award is for students who have at least 60 credits and GPA minimum of 4.0. In this case, the full Academic Award is 50% of the second year’s tuition fee, 4 900 €, and is realized from the second installment of tuition fee paid in August.

Students who have at least 60 credits and GPA minimum of 3.0, will have 25% reduction of the second year tuition fee and it is reduced from the second installment made in August. (TAMK: International Business, Tuition Fees and Scholarships 2016)

Applying the scholarship was made as easy as possible. At TAMK web page there are details and dates, and at the Opintopolku there is a two-step applying system; first one to find out is the student eligible for the scholarship, and the second to find out whether the student wants to apply it.
2 FRAMEWORK

Benchmarking was chosen as method for the thesis, as it was firstly suggested by the commissioner itself. For a research as such it is a rather functional method, because it shows clearly the differences between the organisations under comparison.

2.1 What Is Benchmarking?

Benchmarking is a widely used tool in organisations that want to develop themselves. It is used to compare an organisation to the best equivalent, to investigate their methods and develop them for own use, as Paula Kyrö describes in her article. “It could therefore be used at the same time for both practical development and scientific studies.” (Kyrö 2004)

Common motivation to use benchmarking is to find existing problems in order to develop organisation’s actions. It is to investigate how processes differ within organisations, and how these differences affect the results. (Toikka; Hiltunen & Kekäläinen 5:2008, 38)

Benchmarking can be a short project or research, or a longer ongoing process in order to measure productivity, performance or other chosen area that need be improved. Benchmarking is a multidimensional tool and can be used to compare competing organisations or partners. It can even be used to compare different departments within an organisation. As benchmarking can be used in such various ways, also the results can be used inside an organization or to create cooperation and partnerships between organisations. (Karjalainen 2002)

2.2 Methodological Approach

Benchmarking is normally executed by using a method of four to ten steps. This can vary depending on the nature and purpose of the project.
The original steps written in Finnish are described in the publication of Suomen Laatuyhdistys. (Suomen laatuyhdistys 4/1996, 12) The steps translated from Finnish to English are somewhat as follows:

1. Finding the process that need developing
2. Description of own process
3. Choosing the benchmarking partner/s
4. Agreeing on common measures for benchmarking
5. Collecting data and feedback from partner to another
6. Defining and analysing the differences and causes
7. Defining the goals of the issues that need be developed, planning and execution of the actions
8. Establishing the new method
9. Finding the next issue or process that need developing

These steps are used as an example in the thesis with few modifications. Modified steps used for this thesis can be found below.

As the result of this research is meant to be more of an informative view of actions of other comparable organisations with ideas how to proceed, rather than to lead to co-operation with other universities, at least for the time being, the steps are modified to suit better for this purpose leaving out steps related to planning and organising the co-operation.

1. Defining the issue
2. Definition of own process
3. Research about organisations to compare, choosing the partner for the purpose
4. Collecting data
5. Investigate and define the differences
6. Execute
2.2.1 Benchmarking TAMK / IB

1. Self-evaluation to identify the topic or area to be developed.

Tuition fee comes into effect in TAMK in autumn 2017 and IB will possibly be affected by it. The key points of IB, balance between Finnish and international students and courses selection, will have to be re-evaluated from a new point of view. Modifications are possibly needed to procedures in order to maintain the balance regarding to students, study environment, competitiveness and quality of education. Benchmarking other universities can offer insights to the possible consequences that IB and TAMK may be facing in the future.

2. Definition of process

IB’s structure is based on the number of applicants, balance of Finnish and international students, interesting courses as well as graduation and employment rates. Out of estimate of 250 students approximately half is said to be foreigners, and of that approximately 40% are non-EU/EEA students. This was, of course, before the reform.

Until now, TAMK’s procedure with degree programmes in English has been to attract students from all over the world, including African and Asian countries such as Tanzania and Nepal, to mention few. Focus has been to market internationality, high quality of education, free studying, and why not also to promote the Nordic way of living and its efficiency, in one sense. Anticipated outcome would be to have students graduate successfully and, even better if they would be employed shortly after, and preferably in Finland.

With the new situation there were few changes: old target countries and promoting the free studying are not valid anymore. There is more effort put into marketing, but the same qualities as internationality and good education are part of marketing campaigns.

3. Finding organisations with wanted qualities

Swedish higher education institutions experienced the transition to tuition fee in 2011. They have knowledge of the issues and consequences that occurred after the tuition fee came into picture. Universities in Sweden were looked for on the internet to see which have international activities and would be suitable for comparison. Jönköping Universi-
ty was a hint from Piri Hiltunen, TAMK’s International Coordinator, as apparently they have succeeded quite well after the tuition fee came into operation.

4. Data collection

Universities were randomly selected on the basis of internet sources; most universities were considered suitable if they had international activities. Most of them also had business studies. Universities were contacted by e-mail to get answers for questions in order to benchmark the universities.

5. Investigate and define

Answers for e-mail interviews were analysed creatively and critically in order to define the used methods; successful methods / not so successful methods to find the best ideas.

6. Execute

Results were handed to IB for future consideration.

2.3 Data Acquisition Method

Data for literature review of benchmarking was collected from different sources and locations.

Theory of benchmarking and its usage for literature framework were searched for in the library of TAMK and e-library on the internet. There were few visits to the main library of Tampere, Metso as well. Internet sources were sought in order to gain perspective in regards to how benchmarking can be used. Google Search Engine was a very useful medium in this phase.

Of these options, e-library and different internet sources offered a wide amount of material, as one may assume. Although time consuming, this was very helpful, as it gave easy access to many researches and articles written about the ways benchmarking can be used, and to all the written material related to the whole topic in general. It became clear that benchmarking can be a very useful method to be used in research regarding higher education institutes and developing them.
Swedish universities were targeted for the benchmarking purpose. Information was collected in two stages.

First step was to identify these universities and investigate which have international activities comparable to IB and would they be suitable for benchmarking. The search was executed on the internet by looking for universities and their programmes. Internationality was the main point, so it was not obligatory to find programmes to match exactly IB, as long as the above mentioned was fulfilled. There was plenty of material as many universities had international activities and non-EU/EEA degrees and students were well represented. The suitable ones were then chosen based on random selection. The selection included universities from all over Sweden and was not limited by factors such as geography, for instance.

Jönköping University was chosen, as Piri Hiltunen, TAMK’s representative for this thesis, suggested they may have good material.

Few universities such as Stockholm University and Uppsala University were chosen based on their reputation being considered as universities with long history, which made them interesting.

The second stage was to collect contact information of the chosen universities. After that they were approached by e-mail and requested an e-mail interview. The e-mail contained questions about the structure of the universities’ degree programmes in English and their international activities. There was also enquiry about the consequences that took place after the tuition fee was introduced. Interviewees were instructed to respond by e-mail to the questions. Follow-up e-mail was sent in order to clarify some of the responses. All these questions can be found in chapter 3.

The interview e-mail was sent in total of eleven universities. Of those eleven universities that were approached seven responded, and of those universities three were considered suitable and chosen for benchmarking.
3 INTERVIEW QUESTIONS

The idea of the interview questions was to have a concise set of questions with the maximum amount of 10 to make it convenient for the interviewees to respond.

Original set of questions were sent to eleven universities and were as follows:

- What is the backbone and structure the international activities are built on? (For example number of applicants, graduation, employment rate, other factors)
- What are the strongholds of your international activities? Have they changed after the tuition was launched?
- Number of non-EU students in your university?
- What are the appeal factors in your university for non-EU student (For example in the international business programme)?
- Are there courses or study programs created to appeal especially non-EU student?
- What were the consequences when the tuition was launched? (Short term and long term, did it show in the amount of non-EU students, other valuable points)

After receiving the answers and choosing the suitable universities, they were contacted again in order to send few more follow up questions to refine the information.

- Do the answers apply also on Bachelor’s degrees? How many non-EU/EEA students are studying Bachelor’s degree?
- What is the structure in Bachelor's degree courses; are there classes and exams, distance learning, or perhaps list of books and exam?
4 BENCHMARKING UNIVERSITIES

4.1 Stockholm University

Response from Stockholm University was given by their international officer Ronald Trumpf Nordqvist.

Stockholm University is described as a modern university with a multicultural environment, openness and innovation since 1878. It is one of the world’s top 100 higher education institutes with 70 000 students and 5 000 staff members. (Stockholm University, About Us 2016)

The university has a long history of international activities. They aim to be a global university and have a wide variety of programmes and courses thought in English, approximately 3 300 international students and five Bachelor's programmes for international students. (Stockholm University, About Us 2016)

Every year there are 120 new non-EU/EEA students who start a full programme or as free movers. According to Nordqvist, Stockholm University does not want to distinguish between EU/EEA or non-EU/EEA students, but concentrate more on the international side overall.

4.1.1 Backbone and Strongholds of International Activities

When tuition fee was introduced Stockholm University experienced a drop regarding non-EU/EEA students. The same happened also in other universities, and in Denmark before Sweden, as also Nordqvist states. With Stockholm University there was a change to more European students and less non-EU/EEA students.

Consequently, after the tuition fee was launched Stockholm University needed to modify the backbone of their international activities. The university needed to plan their marketing more carefully to be able to find more precise target markets. New factors that were considered were such as:

- Statistics about global students to find out what countries have many students studying abroad, especially full programmes
From what countries does Stockholm University receive questions via e-mail
- Which countries provide scholarships
- What is the level of English language proficiency and financial matters in a country
- From what country Stockholm University receives most applicants, followed by how many are accepted and eventually do the students graduate within the given time

The stronghold of international activities Stockholm University considers its marketing. The key factor is their webpage; it is not static but constantly improved and developed depending on the requests from students, staff members and others. They consider carefully what kind of information is relevant and useful for students. It is also important to notice that the English page mirrors the Swedish page.

Stockholm University is also looking for countries that have similar interests as the university in order to meet the demands of certain country, and this way find more potential students. “For example, if there is a great interest in Environmental Science, Media and Communication, and Business and Management in a country then this might be a country that we target.” as Nordqvist (2016) explains in his response. Currently they are targeting China, Indonesia and USA.

To bring more awareness to the university Stockholm University uses student blogs and printed material, as well as publishes articles and advertisements in different media. They also conduct webinars and consider criteria for ranking. In addition, Stockholm University takes part in study information activities abroad such as study fairs and alumni events, among others.

Social media is well presented in Stockholm University’s marketing plan, as they are active in various channels such as Facebook (both English and Swedish), Twitter, Youtube, LinkedIn, Instagram, WeChat and Weibo.

4.1.2 Appeal Factors

According to Nordqvist the appeal factors of Stockholm University for non-EU/EEA students can be divided into 3 categories:
1. **Stockholm University**

- Highly ranked university with high standard programmes and courses
- Number 81 on ARWU 2016 (Nordqvist 2016; Stockholm University: Stockholm University in world ranking tables 2017)

- Level of academic English is high: one can improve English language skills while studying
- Informal environment, course structure and teaching. Based on Stockholm University’s own evaluation international students enjoy factors such as informal environment between students and academic staff, and also course structure and the way of teaching. They have a lot of group works, seminars and so on. “Students are encouraged to state their own opinion and challenge the teacher in a classroom situation”, Nordqvist (2016) describes.

- Nobel Prize connections. Stockholm is known for being home to the Nobel Prize and many of Stockholm University’s academic staff is a member of the decision making committees regarding the Nobel Prize.

2. **Stockholm**

According to Nordqvist Stockholm’s image is safe, green and clean. Stockholm is a big city but at the same time the safest capital in Europe. It is also ranked as the third of world’s most sustainable cities, and the fourth best city to be a female entrepreneur.

3. **Sweden**

Stockholm University uses also Sweden as a pull factor. It is ranked high on different lists: it is in top three in global innovation index, social progress index, and English proficiency index.
Sweden is very well known worldwide for its music production and exporting. There are also many successful businesses that have originated in Sweden, for example Spotify, Skype, IKEA, Ericsson, Volvo, Candy Crush and ABB.

4.1.3 Conclusion

Stockholm University has created their brand by using the elements around them; Sweden, Stockholm and the university itself.

As the whole Scandinavia, also Sweden is well known for its good quality of life, honest people, exotic Nordic nature and high quality of education. It is known also because of their music business export and all the other trendy businesses they have created. This is not a new thing. Sweden has been successful in handling their business also decades earlier.

Stockholm being the capital of Sweden is the centre of business life and a multicultural metropolis like other big European cities. At the same time it has a clean and fresh image with top positions in ranking lists such the safest capital and other interesting characteristics.

Stockholm University is in the heart of this and gets to enjoy the image of the surrounding circumstances. The university wants to emphasize its multicultural image, which is supported by the society around them. Rather than trying to attract certain nationalities they have focused on building an international university with diversity.

The university’s staff members are involved in the Nobel Prize committees, which certainly brings appeal factor to any university’s image. They also have a very wide selection of programmes on different levels serving the needs of variety of students.

Nordqvist mentioned that they not only look for countries that could be suitable for their agenda, but also compare their programmes to current topics in different countries and make the initiative from that direction. Statistics play crucial role in the university’s processes and give valuable information of the target countries.

The basic ideas of Nordqvist’s description are simple. One should naturally pay a lot of attention to marketing, and it is smart to use the surrounding society as a pull factor.
### 4.2 Jönköping University

Jönköping University’s contact person was Jassim Sheikh, Business Development Manager from Marketing Department.

Jönköping University is a private non-profit higher education institute that was established in 1977 (Jönköping University: History 2017). It offers programmes in English at all educational levels. Their students come from over 60 different countries around the world. (Jönköping University: Internationalisation 2017)

The university has around 10 000 students, of which 2 000 are international students. (Jönköping University: Jönköping University 2017) There are approximately 1 000 students coming from outside the EU/EEA areas, and out of that, estimate of 300 are doing their Bachelor studies. (Sheikh 2017)

The university describes itself as a young professional-oriented university that is characterised by “a high degree of internationalization, an entrepreneurial spirit and extensive collaboration with surrounding society. “ (Jönköping University: Jönköping University 2017) Jönköping University has close co-operation in education and research with business areas and society.

#### 4.2.1 Backbone and Strongholds of International Activities

According to Sheikh (2016) the base of their international activities are statistics and also strong network and connections with companies. Key point is their brand which the university pays a lot of attention to. They plan very carefully how to initiate their brand in a new market area. Sheikh emphasizes that one needs to be active and smart when branding across borders. Supporting activities are such as conducting market surveys and planning how to launch integration in chosen markets.

Jönköping University considers their strongholds to be certain countries such as India, China and Pakistan along with European countries, especially Germany. The university looks for countries that are suitable for their agenda; many of their target countries have, for example, dense young population. Currently the university is establishing its footprints in South America.
4.2.2 Appeal Factors

Jönköping University describes their appeal factors as strong alumni, freedom of entrepreneurship and support, and also solid future after studies, which is based on their statistics. The university has co-operation with companies and they consider it very important.

Jönköping University has consciously built a strong brand of internationality, with which they wish to attract new students. More than attracting students of certain nationalities the university aims at building and maintaining an international university, Sheikh (2016) explains. According to him they emphasize the type of students they want to attract, such as “highly qualified, inventive and enterprising people from all around the world.” Jönköping University is interested in sustainable prosperity. They want to develop knowledge based innovation and enterprise activities also in the region around them.

4.2.3 Conclusion

There were three points that appeared from Sheikh’s response. They create an interesting combination together. According to Sheikh these are the main points the university wants to concentrate in and bring out in their tactics.

- Branding
  Branding is the most important factor of the university’s tactics. They have created their brand with a lot of consideration. Part of the brand is international atmosphere at the university, which Jönköping University wants to emphasize. The next two points are part of the brand as well.

- Network and connections
  Important factor Sheikh mentioned is their strong network and connections. It is something they have built the same way as the internationality and the whole brand at Jönköping University.

  Good connections and co-operation with the surrounding society are advantages for the university; they can attract students and help them after studies. University’s network opens many doors to students and gives them an advantageous po-
position in job search. It is easier to enter the work life when one already has network behind.

It would definitely be interesting to find out more about their connections, how have they organized their collaboration and what kind is it.

Connections and networking are a big part of the brand as well, and are very much related to the next section.

Future after studies

Jönköping University emphasizes the point of what happens when studies are done.

As Sheikh explains solid future after studies is something that new students naturally find attractive. Presumably the university has created some kind of a system to offer help and support for students. Collaboration with surrounding society and freedom of entrepreneurship facilitate actions as such, and are advantages to the university. It is valuable information that students will have support after their studies and that the university may be able to support their career or entrepreneurial wishes in some way. It is apparent how significant the university finds it is what may or may not happen after studies.

Jönköping University has a business oriented mind when it comes to their brand. They have found a functioning core to their activities; each factor works well alone, supports the others and together they form a solid base for the university’s procedure.

Sheikh’s estimate is that of Jönköping University’s 10 000 students 1 000 would be no-EU/EEA students, which is 10 % of the whole amount.

The next step Jönköping University is planning to take is naturally South America.
4.3 Uppsala University

The contact person in Uppsala University was Joachim Ekström, Project Manager from the division of communication and external relations.

Uppsala University was founded in 1477 being the oldest university in Sweden. There are in total approximately 40 000 students (Uppsala University: The University in Brief). The number of international students is approximately 4 000 (Uppsala University: Housing, Financing, and Health) and non-EU/EEA Bachelor students 450. (Ekström 2017)

Uppsala University has three international Bachelor’s programmes. They all have a duration of three years and are focused on the area of Game Design. (Uppsala University: Bachelor’s Studies)

As one may assume, history is part of the university’s image; they have museums with large collections that date back to the Middle Ages, and the Royal Academic Orchestra was founded in 1627. (Uppsala University: The University)

The University is characterised as having international frontline research, diversity and first-class education which ”benefit society, business and culture on a global level”. (Uppsala University: The University in Brief)

4.3.1 Backbone and Strongholds of International Activities

As the other universities, also Uppsala University had to modify their actions after the launch of tuition fee. Before they did not have focus regions or any international M&R, “students just came” (Ekström 2016).

This needed to change and new tactics included focus countries such as China, India, US, Indonesia, Vietnam and Korea, and countries that are considered interesting future opportunities as Mexico, Philippines and Malaysia.

The main market segment for Uppsala University is specifically students who are interested in research career, as opposed to those who look for employment opportunities after graduation. This is the direction they want to maximize their offer to.
Uppsala University describes the backbone of their international activities to be the recruitment process and making their brand known to the potential students during this process. Ekström describes the activities that Uppsala University goes through each point in time of the recruitment process, in order to help and motivate students in their decision making process. The obvious goal is to have them choose Uppsala University. The process starts from beginning of application period in Mid-October and ends almost a year later in the end of August when new students start their studies.

First phase, *findability and brand awareness*, means that potential students need to know about Uppsala University, “before anyone can even consider us as an option they need to know we exist“, Ekström (2016) explains. Their focus is to make sure students find Uppsala University when looking for educational opportunities. As majority of students nowadays do that online the university works with Google AdWords and online education portals.

Second phase is *availability and brand experience*. As in any communication and customer service today, also in university world support and good communication experience play a significant role in recruitment. Ekström explains that they spend a lot of resources on being available for questions and support and make sure there is enough material available on their website to support potential students with making the right decision.

The goal is to make visitors at least interested enough to leave their email address on the self-registration section available on the university’s website. The address is then saved in the system and used to send information and other material, as videos, invitations to webinars, links to interesting blogs and so fort.

Brand experience means that Uppsala University wants to give prospective students insight into “*what life as a student in Uppsala is all about and what the future might hold.*” (Ekström 2016) For that they work mainly with social media and content curation.

Third phase, *relations and brand adoption*, is based on the fact that on average international students get five offers from universities, and there should be a way to ensure the student that the particular university is the right choice. In this case it would be helping
admitted students find other students who they share something in common with; same nationality, same interests, students who are taking the same programme, and sofort. As Ekström (2016) explains, “I want them to choose Uppsala. However, there are no new facts or experiences I can put on the table to make them take that final decision. But, if they get to know someone else who is also going to Uppsala, the step might be a bit shorter than to the other universities.”

4.3.2 Appeal Factors

Ekström lists their appeal factors to be the programme content, which is the most important, and students’ own estimation that the studies will take them where they want to go career wise. As Uppsala University focuses on optimizing the amount of research oriented students, high class research is a pull-factor as well.

Uppsala University has made an interesting choice to concentrate on only one area with their Bachelor programmes: they have three programmes that are all related to the currently fashionable Game Industry. This naturally narrows the target market, but also clarifies the direction of marketing.

These factors appeal to all students, not only students outside the EU/EEA area, and Ekström (2016) explains that there is no big effort made to attract especially non-EU/EEA students. They have had previously some kind of financial incentives to develop new programmes keeping non-EU/EEA students in mind, but apparently it was not the major factor in the decision.

4.3.3 Conclusion

Marketing and bringing awareness to brand are obviously the first steps to communication with potential students. Internet offers many good channels to reach new students around the world.

Branding and focus on the target market are the most important factors in Uppsala University’s marketing plan. Their direction is very clear and they spend resources on reaching the wanted result, starting from the very beginning in every step to the point of communication with new potential students.

Uppsala University has a strong image related to history; the prestigious historical background would bring dignity and appreciation to any university’s name.
As part of their brand the university wants to express the multicultural aspect of the university and surrounding environment. They bring out the idea of welcoming and student friendly environment, where students can feel like at home and leave their mark.

Ekström emphasises that support is extremely important for prospective students. Marketing to the right people along with offering all the possible help during the decision making process can make a big difference to the final decision. As Ekström explains, availability is the key point; universities need to be available when people want information regarding study possibilities. Informative web pages are important, but in addition to that universities should have acquirements to answer to all the possible questions they receive. This kind of communication is mainly done via e-mail.
The interview meeting with TAMK’s representative Piri Hiltunen was held in TAMK’s premises on November 22, 2016. Follow-up interview was done via e-mail on May 11, 2017.

Free - or tax-paid education - is a good thing and the basis of Finnish education. Also for foreigners who want to study in Finland. The wanted consequence of this is, of course, that students become taxpayers later.

So, offering free education to foreign students includes the expectation that, after graduation students stay in Finland and become tax payers. This way they benefit the society and become a source of employment. Foreign students could contribute to the taxes and continue to bring multicultural atmosphere to Finland. The idea is that tax money is to help people, so that one day they are able to participate in paying taxes as well. For those, tax money is definitely the right address.

Sadly, this is not the case when it comes to the foreign students who complete their studies in Finland. Some of them come here to have free education, graduate and then leave. Over the years, it has been noticed that student do not want to stay here, or they cannot stay, as Hiltunen (2016) explains.

TAMK’s objective was to create a tuition fee system that is as fair to everyone as possible in order to attract talented, motivated and good students, not just the wealthy ones. They wanted to ensure that the system is not an obstacle for those who come from less privileged backgrounds. The students are able to affect how much they pay for their education as long as they succeed in their studies.

Tuition fee is part of a larger discussion which relates to the time when programmes in English language were created. It is also a part of the discussion of how to make foreign students stay in Finland after graduation.
TAMK

TAMK was well prepared for the tuition fee reform, and was quick to take actions when the legislation came in autumn 2015. They had a marketing budget received for the reform, and Hiltunen was recruited at the beginning of January 2016. According to Hiltunen TAMK got ahead of some other universities, as many of them decided to wait for joint marketing campaigns or other joint national activities. This was due to the fact that many institutions did not have resources to release in order to plan how to prepare for the changes that the reform may bring.

The reform brought a new competitive set-up to the Finnish higher education field. The universities are now competing against each other, which is something that has not happened before. Business minded thinking is quite far from the principles of Finnish higher education system. It has not been considered very relevant before.

The situation changed and institutions became competitors who have to be careful not to share important information about their unique selling points and marketing plans. Unfortunately, long-lasting co-operative relationships have ended in many sectors, but the harsh reality is that, if TAMK wants to gain applicants some other may lose them. This is the negative side, but most likely the co-operative actions that are not related to the competition will continue.

Marketing

TAMK’s co-operation with TUT and UTA is working in a good spirit; they do not have rival programmes, and the Tampere3 project is moving forward. TAMK has done a lot of marketing and worked closely with the Tampere3 partners.

Regarding the new tuition fee situation, TAMK’s marketing activities include campaigns and study fairs around the world. The challenge is to find fairs where there are no other Finnish universities.

In marketing TAMK uses factors such as student experience, Tampere and the Tampere3 project, and services of Unipoli Sport. They have done research about countries that have rising middle class, particular kind of age pyramid, and not enough higher education institutions compared to the amount of young population. This is to find countries that are not able to educate all of their own students. These countries also create scholarships for students that seek education abroad.
TAMK’s target market has experienced changes, as, for example, Nepal and African countries, that had a strong presence in previous years have been excluded from the study fairs TAMK has attended. New target countries are USA, Canada, Russia, China, India, and Vietnam with the rising middle class. Also Europe is a target area because TAMK wants to maintain the environment international and the balance between students, even if there would be no students from outside the EU/EEA. Of course, marketing is done in Finland as well. Other suitable possibilities could be Turkey and Brazil.

The Finland 100 jubilee year has not been as visible in national marketing campaign as one would hope, but as a country Finland continues to appear as a safe environment thinking of the recent terrorist attacks around Europe. The right-wing populism rising may not have a serious impact on Finland’s image either, as the same is happening in many countries in Europe at the moment. It is not only associated to Finland or Tampere.

For every programme there should be a unic selling point that attracts students. There needs to be a way to differentiate oneself from the competitors, now more than ever before.

A unic selling point has to be a real appeal factor, something TAMK is the best at, something that nobody can compete with, Hiltunen (2016) explains. In Media and Energy and Environmental Engineering programmes it is not a problem.

In Media studies there is Media Production, which is the only one in Finland and perhaps in the whole Scandinavia in English language.

Energy and Environmental Engineering is one of a kind in Finland and presumably there is only one similar in Sweden. The whole field is very attractive at the moment.

With International Business the unic selling point was still under process. Solely in Finland there are 26 programmes under the name International Business. Also, for example, Aalto University has created a programme called International business.

The first obvious things TAMK should do is to change the name of the programme, and next thing would be to come up with the unic selling point that only TAMK has and will lift them above other institutions.
Questions to Think

The new situation brings many questions to solve. It challenges the institutions to improve their systems and check their procedures. Everything has to be very organised, so that students will have value for their money. After all, they are paying for it.

All that is available for Finnish students should now be available for non-EU/EEA students as well. This includes Tamko, TOAS and everything else.

TAMK will have to decide what is their transfer policy for non-EU/EEA students, who apply transfer from other universities to TAMK.

Payment issues were one thing that needed careful consideration; what should be the payment method used and how to guarantee the money comes from the correct source and is not involved in illegalities, or even terrorism.

As is usual with challenging projects, also with this it seems that every step along the way brings a new question to solve. Students’ residence permits usually cause all kinds of issues at the beginning of study year. This could be the case this year as well, as the immigration permits were recently transferred from police to the migration office.

Also the refugee situation has been on the table. TAMK needed to plan how to proceed, for example, in a situation where person with refugee status would like to apply to study and does not have identification documents anymore.

Centre for International Mobility, or CIMO, has previously coordinated international activities for universities, but merged with Finnish National Board of Education at the beginning of year 2017. The new organisation, Finnish National Agency for Education, will surely continue its good work, but the timing for such a change was not the best.
Support

Good support to the students is important and the time it takes to reply to questions is equally important. There is almost never enough resources to handle everything during the application period, but this year it was easier as Hiltunen was a new resource.

In the follow-up e-mail Hiltunen (2017) informed that people were very interested to know more about things related following matters:

- Tampere3
- Services of Unipoli Sport
- KELA and students’ lunch discount
- Practical matters as housing and services

TAMK has devoted social counsellor Mirja Onduso to help foreign students in the field of public administration and housing issues

- Scholarship

Scholarship related matters are described at TAMK web page as detailed as possible and the actual applying of the scholarship was made as easy as possible. It is in the national system in Opintopolku. There are two questions; whether the student is exempted from the tuition fee, and if not, would they like to apply the scholarship.

Other Funding

Different kinds of scholarship sponsors can be found on the internet. There are scholarships for international students organised by different organisations and for all the levels of studies. Some scholarships are meant for developing countries to increase the level of education in the particular country.
Other countries have created scholarships to sponsor their own students with their studies abroad. Hiltunen (2016) explains that, as young population is very dense in some countries the country itself is not able to offer education to all their students. Scholarship systems are then created to support the students who decide to apply abroad for education. Such countries are for example Brazil and Saudi Arabia. This is the case also in Turkey, where there are over 200 universities, but even that may not be enough because the population is very large.

At the moment TAMK does not have much co-operation with companies that would sponsor students with their tuition fees. Co-operation of this kind has not been established yet, as there was not need for it. It should be a natural part of universities’ activities, but it is not that usual in Finland yet.

Now that institutions are forced to find new ways, they are starting to activate. TAMK has thought about an exchange where a company would sponsor student’s final year and the student would then do final thesis for the company.

Hiltunen has an interesting example from Sweden, where some big companies such as Volvo can sponsor student’s whole studies. The university chooses the students, company sponsors them, and the students will make practical training and thesis to this company. They can all work together from the beginning and plan the studies.

As financial matters have now entered to the Finnish education system, it is very possible that there will be more co-operation with companies.

According to Hiltunen (2016) there has been discussion about a ’thesis topic bank’. In some countries this is a system that works between institution and company: companies and universities can suggest topic to the bank where they are available for the students to choose.

**Work Related Matters**

Employment services are included in the legislation of the new tuition fee. It obliges higher education institutes to use a part of the tuition fee income to develop these services and new ideas to facilitate students’ job search.
There have been some services before, for example job counselling for both domestic and foreign students, and TAMK has brought international students and employers together during the studies. However, the response from employers indicated that the job seekers should have better Finnish language skills. To respond to this TAMK has offered the opportunity to study Finnish language.

In Helsinki the situation is different: it is a bigger city and there are more possibilities in more languages. Also many foreigners who live there already know Finnish enough to find work.

Co-operation with other UAS would be an important thing at this point, but as UAS do not have common interests, it is not very likely to happen. All the universities have their own interest in mind at the moment.

One of the initiatives to the tuition fee was that foreign students do not stay in Finland after they graduate. They get the free education but do not contribute back to the society. Hiltunen (2016) explains that the reason could be actually the circumstances the students are in; they cannot stay because they are not able to find work here.

The issue is quite complex. Foreign students come to study for free, but as they may not have financial support and are not eligible for Finnish study allowances, they work at the same time to cover their living expenses. Many Finnish students have to work as well to cover their expenses, despite of receiving study allowances. One can imagine how difficult the situation can be to foreign students who may not have any financial support other than what they earn.

Many of the foreign students do not know Finnish, and they should also fit their work schedules with courses. Because of these distractions most of the foreign student find jobs as cleaners or delivering newspapers. The nature of these jobs is that working hours can be, for example, in the middle of the night.

Practical training periods are a good way to see the work environment in reality and network with people. This can help students to find work later. Usually practical training is a period of unpaid work. Practical training positions could open doors for foreign students in the Finnish job market.
Instead of finding practical training in Finland many foreign students decide to go to their own country or to a third country. This is because it is easier. The problem is that they still have to pay their living expenses, and having practical training in Finland could lead to a situation where they have one job during the night time and another during the day time. It is no wonder one may choose to go somewhere else for practical training. This is also a strong argument for developing more co-operation with companies.

**Conclusion**

As Hiltunen stated, the whole process has kept her well occupied since the beginning of her recruitment. One can only imagine the situation in the other universities that may not have the same resources for the project and transition phase.

It is safe to say, that there are always surprises along the way and it is not possible to be prepared for everything despite of making the best effort. One thing is for sure, there is a large amount of variables and the surrounding society will not make the transition too easy. The first year will be very informative, and interesting, to say the least.
6 Conclusion and Ideas

After the tuition fee was introduced in Sweden all the institutions experienced a drop in the number of non-EU/EEA students. As it happened, this was also the case in Denmark. This lasted some years and after that there have been signs of recovery in both countries, especially in universities that have made an effort to change the situation. Apparently recovery has not happened in all the universities.

As one of the Swedish presentatives stated, students experienced sort of a shock at the beginning, but then got used to the idea that studying is not free anymore for certain nationalities, and started coming again. Some higher education institutions claim to have the number of non-EU/EEA students almost on the same level as before the tuition fee.

One could assume that the pattern will be the same also in Finland: first the number of non-EU/EEA students will drop and in some years it can rise again, especially in universities that have been working on the topic in order to improve the situation. All is pure speculation before the final results are published, and the outcome can be different as well. Maybe students are not that shocked of such news anymore, as Finland is the third Nordic country to launch the tuition fee, and considering that the prices are somewhat lower than in Sweden or Denmark, Finland is still a potential candidate for students seeking higher education.

Target Market

Based on the research made of these four universities it is safe to say that diversity and internationality are what all the institutions value in their international programmes. In some institutions the division of nationalities changed after tuition fee and the lack of non-EU/EEA students was replaced by the increased number of EU-students. This obviously changes the diversity, but maintains the environment international.
China, USA and India are popular target countries in all the universities. Other Asian countries are also included, but there is variation between them. New interesting target markets could be found in South America, which seems to be a natural next step after Asia.

→ Interesting possibilities: Mexico, Peru, Chile, Argentina
→ What about Arabic countries?

**Fresh Ideas for Programmes**

The Swedish universities considered in this thesis have a large number of Master’s programmes in their selection. The clearest difference is with Stockholm University’s student base, which has only few non-EU/EEA students enrolled to the semesters 2016 and 2017, but a massive amount of Master’s programmes taught in English. They seem to invest especially in students on Master level.

Depending on what TAMK is planning to do next, this could lead to two conclusions: these universities, excluding Jönköping University, are not the biggest competitors in Sweden for TAMK, or they are double the competition if TAMK decides to increase its repertoire in Master level studies.

Developing programmes is the competitive advantage number one in order to offer students value for their money. As in every business encounter, marketing the product to potential customers is extremely important. Brand awareness and choosing the right market segment appeared several times in the answers.

Many times competition creates new fresh inventions, and also in the university world. The institutions were forced to think about their brand more carefully and develop it. Also in this case competition increases quality; as Hiltunen (2016) stated in the interview everything has to be under control, because the students are now paying for the services. If they do not like it, they will take their money elsewhere.
Bachelor students are probably not the Uppsala University’s most important target group, but as an interesting tactic to attract Bachelor level students they have created three degree programmes in the area of Game Design, and the campus for them is located in Gotland, which is an island in the Baltic Sea.

Work

Appeal factors in the Swedish universities include solid future after studies based on their statistics. All of them refer to some sort of co-operation with companies in the surrounding society, and support regarding job possibilities. This came up quite a few times with the Swedish representatives, but was not so much stressed with TAMK’s content yet. According to Hiltunen (2016), this is something that should be developed in the near future.

The Swedish universities have built networks and connections with companies. Operations as such are beneficial for all the parties and help foreign students to stay in the country; it is easier to stay if they are able to find work.

Uppsala University has a Job portal, UU CareerGate, for students and employers. Presumably this is close to the idea of what TAMK has been thinking but is yet to be executed.

UU CareerGate is meant for Uppsala University’s students, where employers can advertise open positions for jobs, exam projects or thesis in case they are interested in finding resources from the University. (Uppsala University: Collaboration, Student job portal 2017)

→ Invest in creating a network with companies from Finland and abroad
→ Is it possible to benefit from partner universities’ connections?
→ New possibilities with Tampere3 partners and their connections?
→ More interaction with students and employers already in courses
→ Companies where TAMK students have contacts; is data from practical training places been collected and utilised?
Tampere

To use pull factors related to Nobel Prize certainly brings certain glamour to the image of any university. We may not have something as glamorous in TAMK, but Finland as a brand is quite nice. Tampere as a city is cozy, and its size is convenient; everything is close or within a short distance. For foreign students who come from big cities the possibility to walk or take a bicycle to university is a very nice option, it is cheap and at the same time one gets to enjoy the nature and fresh air.

➔ Utilising practical matters in marketing
➔ To improve already existing patterns from students’ point of view can be more valuable than creating new larger things

Services and Support

Things that were earlier thought as minor can be the deal breaker nowadays; which school replies the fastest to potential students’ enquiries, which has the most informative webpage, and so on. Other services have become important as well; if two universities appear very similar, the one that offers more support in practical matters such as housing can be the winner in the situation.

TAMK has noticed the value of supportive services as a competitive advantage and has created a service with Mirja Onduso, social counsellor, to help students with matters related to administration and housing.

The Swedish Universities have understood the significance of support as well, and have gone few steps further. They offer housing services; the practice varies between housing for all international students or just for non-EU/EEA students. They have developed the systems enough to be able to call them housing guarantee.

➔ Possibility to offer even more support for housing and administrative issues with Tampere3-project?
Availability

Availability is a keyword when working with customer service in any area of business. Students are looking for information on the web pages and naturally have many questions. At this point help and support are very important to find the right information one is looking for and to make a good decision. The university staff should be available when the students need them. This is what universities should think very carefully; how to have enough resources to facilitate communication between interested and potential student and the university. Nowadays even few hours can be of significant difference.

Jönköping University has a popup window on their web page. It leads to a page with online contact form where one can write their questions and send it to the university. This kind of activity makes it easier to be in contact with interesting universities. Communication has experienced rapid changes and it is important to have sufficient amount of resources to respond within a time frame.

→ Easy access to contact information
→ Online contact form
→ More resources to ‘customer service’
→ Wild idea: online chat ( not during the busiest application time )
7  WRITER'S OPINION

Principle

Tuition fee is a very controversial topic in Finland, as it seems to have been in other Nordic countries. The Finnish free education is not actually free, it is paid by tax money. However, this is a much bigger issue than just the money.

Free education in Finland is the basis for development of the whole welfare state. The idea, the guarantee that everybody will have the possibility to education, is very important. Some studies actually do suggest that the more there are educated people in a country the better is the country’s financial statement.

The first thought that comes in mind from the tuition fee topic is that it is, well, wrong. In Finland we are lucky to be able to say that education is something that is meant to help people and this way bring wealth to the whole society. It is the principle, the idea of equality and commonweal. Finnish education system should hold on to these principles.

Of course the situation was different when the system was created. Presumably the original idea was to educate mainly Finnish citizens. The extend of what this free education system covered until recently was almost the whole world. Larger scale, that is.

However, the concept of equality is a part of the Finnish and Nordic atmosphere, and part of the equality was the fact that education is available for everyone regardless of their background, or any other matter. Equality should concern also foreigners. After all, we are living in a global world.

That is why the idea of tuition fees in Finland feels uncomfortable. To have a business like thinking embedded in the Finnish university environment.

Yes, it has been part of universities’ culture a long time in many other countries, but that is different. Education institutes should be above the capitalist world view. Education should be the focus, not financial matters.
That being said, the current system has been in use for decades, should it be modified? Maybe this is the direction where education systems will naturally evolve. After all, new ideas are always needed, and money can buy quality. Although, it is questionnable can tuition fee be a profitable business in a country size of Finland.

**Students**

One argument against the whole process was that tuition fee for some foreign students could eventually lead to wider series of reforms resulting to introduction of tuition fee for Finnish students as well.

This sounds very frightening, because of the above mentioned points, but very much also because of the scenario to what kind of situation it could lead people into. Lately the student quotas have made it more difficult to get in to universities, and a reform like this would make studying even more difficult.

In recent years there has been numerous amount of discussions about how work life has changed in the past 50 years. Previous generations would go to school, or not go to school, find work and stay there most likely until retirement.

After the recession in the 90’s the pattern started to change. People would no longer stay in the same work forever. It is normal to study and find a job, then work for some years.

As the labour market has become rather unstable, it is very possible that one may lose their job, study again and find a new job. Some may repeat this more than once. The past 20 years it has been emphasised that it is fine to do this, it is normal nowadays. Thankfully the free education system allows that.

What if tuition fees were to be introduced to apply Finnish students, in this situation? Sounds absurd. Assuming that work related circumstances would not change as fast, and people would have to pay for more than one degree, how could they finance studies, especially with no guarantee of finding work? It is very conflicting and hopefully will not happen in the future.
At the moment tuition fee is only for students outside of EU and EEA countries. Inequality has already begun in Finland. Countries are put in order based on the financial matters. Countries that have enough wealthy people are targeted, and countries or entire continents such as Africa are considered as not so attractive. There is a lot of potential also in these countries and it is left unused.

**Best Students**

According to the material and many articles and documents used for the thesis, many schools seem to want to attract the best students. What is this concept of best student? The traditional definition has been that the best student is the best at studying. At least, in Finland, possibly not in some other countries.

The new modified version of education world makes one wonder is the new definition for best student a wealthy person, or a talented student with a lot of money. Universities have always stressed the quality of their students, but financial matters usually give new perspective, because that is what universities’ operations depend on.

Questionnable examples can sometimes be heard from private sector. They have to be very interested in their financial matters because that keeps their operations running. Financial matters depend on their success, which depends on the results and, for example, how good they are in statistics. This can lead to silly list keepings, such as how few days per school year students are away from classes because they are sick. It is not that students in some universities would get less influenza or other maladies, but that they just are not allowed to be away from classes, even if they are sick. They are pressured to attend classes no matter what. With these kinds of silly policies it is always the students who pay the price, in more than one way.

**Structural Problem**

As Hiltunen (2016) explained in the interview, one big issue is that foreign students are not staying in Finland after they graduate. They do not necessarily want to leave but the Finnish society does not offer them many opportunities to stay. That is something that definitely should be thought about. Why to educate people and then let them leave?
Of course, it is understandable that if there is no work for Finnish people, how could there be work for anyone else either. The international environment was intentionally build in Finland during the past years, and it almost feels as if this was not thought all the way throught. How is it that we are so international but there are no jobs for international people? What was the original purpose the system was built for? Not to educate foreign students for free and then let them go, one may assume.

Of course foreign students will leave if they do not have a chance to stay in Finland. Learning the language always helps the adaptation process, but there are a lot of jobs one can do in English. English skills are one thing we are famous for, everybody speaks it. Many companies use English as work language.

The problem seems to be in the structure. Universities do not want to work together to create solutions, because they have their own interests to think about. There is not much of co-operation with companies either. It is as if the whole picture is somewhat unfinished, and universities and companies are only small parts of it. From this aspect the tuition fee is a cure for a symptom, not for the cause. That is the way the system works. Is there a possibility to fix it?

**On the other hand**

Competition is getting harder, not only in Finland but on a global level. Quality wise competition is not a bad thing. It is refreshing and makes universities develop their programmes and create new things. Competition will stimulate the field and quality, because new situations bring new ideas. Money usually has the same effect.

If universities succeed with this process, the obviously good outcome is that universities would have more capital in use for development issues.

There are many things related to this, and would be interesting to see how it all evolves:

- Is Finland able to compete with all the other countries? Is it attractive enough? Safer it seems to be.
- What will happen with co-operation between universities, and especially TAMK and other UAS?
• What would the companies think about sponsoring students?

• Tampere3

• Other possible emerges following the Denmark model, fewer but bigger higher education institutes?

It seems that TAMK was well prepared for the new situation, and they have seen the effort to be successful. In any case, something will happen. Either way the outcome is positive: if there are not many non-EU/EEA students, the gap will be filled with EU-students. If there are many non-EU/EEA students, TAMK will gain financially.

Follow-Up

Yle News announced 15.5.2017 that the number of non-EU/EEA students has dropped.

According to the news the drop was not as significant as anticipated in the beginning. The decrease would have been 10% instead of the anticipated 40%. The numbers are mere estimates, but this would suggest a more positive outcome. (Yle Uutiset 2017; Yle Uutiset viittomakielellä 2017)
REFERENCES


Hiltunen, P. International Coordinator. 2016. Oppari lukukausimaksuihin liittyen. Email message. piri.hiltunen@tamk.fi. Read 11.5.2017


Original reference in Finnish:
Vertailujen tarkoituksena on kertoa, miten ammattikorkeakoulujen prosessit eroavat toisistaan ja miten erot vaikuttavat tulokseen.


Yle Uutiset. 2017. Yleisradio. 15.5.2017. Yle TV1

Yle Uutiset viiotomakielellä. 2017. Yleisradio. 15.5.2017. Yle TV1
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