

**UNIVERSITY OF VAASA**

**FACULTY OF PHILOSOPHY**

Emily Strohm

**TRANSNATIONAL IDEAS IN FINNISH UNIVERSITIES**

The OECD's Ideas in Internationalisation and its Management in Finnish Universities

Master's Thesis in  
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**UNIVERSITY OF VAASA****Faculty of Philosophy**

**Author:** Emily Strohm  
**Master's Thesis:** Transnational Ideas In Finnish Universities: The OECD's Ideas in Internationalisation and its Management in Finnish Universities  
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**Major Subject:** Public Management  
**Supervisor:** Esa Hyyryläinen  
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**ABSTRACT:**

Internationalisation has become a global trend during the past two decades in the higher education arena. Internationalisation is used as a tool to improve higher education. Internationalisation of universities is believed to enhance the competitiveness of universities and the quality of education and research. The Organisation for Economic Cooperation and Development (OECD) has played a major role in leading universities into adopting the market-oriented management practices. The aim of the present research is to study the rationales and processes behind Finnish higher education internationalisation policies and how the OECD has influenced them. Furthermore, the present research aims to find out how managers of Finnish universities consider internationalisation of universities.

The aim of the present research is to conceptualise the way the OECD's political incentives are transferred into the national level and see whether they manage to slide into the operations of Finnish universities. Policy transfer and agenda setting are the core concepts central to the theoretical framework of the research. The present research uses two different qualitative research methods. The qualitative content analysis is used to distinguish the Finnish higher education internationalisation policies that reflect the ideas of the OECD. The second method for the study is qualitative semi-structured interviewing. The qualitative case research includes interviews of managers of Finnish universities. The research aims to study the views that university managers have considering the national policies that reflect the ideas of the OECD.

The results of the present research indicate that the OECD is not a direct actor in the forming of national higher education internationalisation policies, as only very little reference is made to it in the official documents. However, the OECD uses indirect information steering successfully, as it has managed to highlight issues in policies that have not been considered as issues before. The OECD has influenced Finnish higher education policies through political agenda-setting. The managers of Finnish universities analyse the policies from the point of view of an individual university, taking in consideration the international setting, but also their own operating environments. Even though universities have become more marketized, they aim to look further, than the political atmosphere, which changes quickly according to transnational trends. Universities are highly autonomous and therefore they are responsible for their own governance. The internationalisation expectations of the government are expanding while the resources of universities are decreasing. Universities are going through challenging times and it remains to be seen if further internationalisation of universities can bring a solution.

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**KEYWORDS:** Internationalisation, higher education policy, policy-transfer, transnational organisations, OECD



## 1. INTRODUCTION

Universities have always been closely linked to the world around them and have renewed and developed along with the changes happening in the surrounding society (Tirronen 2014: 39). Internationality has become connected with all levels of society and has caused pressure for governments to transform their policies and reform the way they operate. The aim of this thesis is to study the rationales and processes behind Finnish higher education internationalisation policies and how the transnational Organisation for Economic Cooperation and Development (OECD) has influenced the strategies of the Finnish Government's policies considering the internationalisation of Universities. The aim of the present research is also to study the views the managers of Finnish universities have on the transnational ideas reflected in the Finnish policies, considering internationalising universities. The term "transnational" refers to the blurred boundaries between countries, without implying the disappearance of nation-states. Also the actors of transnational governance go beyond individual states and can be individuals, groups, movements or even business enterprises and therefore, the term "transnational" describes the phenomenon better than "international" or "global". (Djelic & Sahlin-Andersson: 4.)

In Finland internationalisation of education became a central goal of education policy in the late 1980s (Lehikoinen 2006: 241). The concept of internationalisation has evolved rapidly during the past decades, especially in the field of education. Science and research can be described international by their nature, as already in 1490s the Dutch scholar and philosopher Desiderius Erasmus of Rotterdam, lived and worked in many places in Europe in order to expand his knowledge and gain new insights. However, the active internationalisation of universities has really only started during the last three decades. Due to the economic, social and political changes, Finnish higher education institutions are significantly more closely linked to the European, and in a broader sense international higher education policy than they were before the 1980s. (Nokkala 2007: 13; Nokkala 2014: 126; Lehikoinen 2006: 241.)

The international aspect of higher education can be described through many actions that higher education institutions have in cooperation with other institutions around the



world. Sharing information, presenting research results and exchanging students and teachers in order to gain and spread international experience and knowledge are probably the most common and visible ways universities have been international throughout their time. Instead of sharing policies through larger transnational networks, the internationalisation of higher education started from voluntary actions of active individuals. (Nokkala 2007: 14.) According to Knight (2004: 21) today, social and cultural, political, economical and academic relations influence the rationales of governments to internationalise higher education. Social and cultural motives highlight the need to learn to understand and respect foreign languages and cultures and find mutual understanding with different nationalities and ethnic groups. Political motives are connected with foreign and security policy interests, the strengthening of peace and mutual understanding and the enhancing national and regional identity. From an economic point of view, internationalising higher education is closely related to the economic growth and competitiveness, the production of skilled labour and the increase of economic benefits through international cooperation. From the academic perspective, internationalisation is believed to improve the quality of teaching and research, as well as lifting the status of higher education institutions. Internationalisation is believed to guarantee the access to the latest academic data and the best teaching methods. (Knight 2004: 21.)

The economic development, achieved by the quick development of technology, has reached a new phase through the liberalisation of trade and markets and the integration of national markets into an unlimited global economy. This trend of globalisation has transformed the operational environment of universities and forced them to develop their internationalisation strategies. The competition for human resources and know-how has intensified as the demands for quality have risen. Universities as autonomous academic organisations should be able to critically evaluate the dominating trends. However, it is extremely important that universities' managements understand the mechanisms of market economy and are able to create such operations that enable success in the expanding research and education markets, as integration can also offer positive development opportunities for research and education. Internationalising higher education is not riskless, as universities must design their integration strategies well in order to maintain their own unique identity. (Sallinen 2003: 5–6.)

The number of people with a higher education degree has almost doubled in the OECD countries during the past three decades. Knowledge and creativity are becoming more and more important in comparison to land, mineral resources and physical capital. Innovations and knowledge are becoming the most valuable engines of economic growth. Therefore, higher education institutions are challenged to answer the expanding demands and creating value for the economy. Especially in Europe, universities are struggling, as it has become increasingly hard to convince politicians into making decisions that help funding all of the universities' operations. (Jacobs & van der Ploeg 2006: 537.)

During the past decade the Finnish Ministry of Education and Culture has actively aimed to direct Finnish higher education institutions to internationalise their actions through different policies. The Ministry of Education and Culture aims to build an ideal higher education community, which produces internationally competitive competence into Finnish higher education. Individual higher education institutions are expected to adopt these ideas and aims into their institutional strategies and build their own internationalisation strategy and actively seek international collaboration. The new law (University Act 558/2009) separated universities from the State by giving them an independent legal personality, as public corporations or foundations. The universities' management and decision-making system was also reformed. This gave universities more economic and administrative freedom, but also more responsibility of their funding. (Crawford & Bethell 2012: 189–191.)

The vision that the Finnish Ministry of Education and Culture has for Finnish higher education is closely connected to the policies that the major transnational organisations like the EU and the OECD have for the future of higher education – the driving force being to develop Finland into becoming more innovative and internationally competitive and a more integrated nation. Therefore, it is clear that the international activities of universities are no more just means to bring countries closer and enhance mutual understanding, but actually structured institutional strategies to form transnational cooperative and competitive networks. The transnational ideas that come from transnational organisations or transnational networks are injected into national policies through policy trans-

fer, information steering (e.g. reports, statistics), knowledge networks, transnational discourses and the process of “naming shaming and blaming”. (Pekkola, Kivistö & Nokkala 2014: 175.) Transnational organisations aim to draw member states’ attention to specific policy themes and in this way influence officials and decision-makers to consider certain issues as future “important” topics. The OECD has produced a large quantity of publications on various themes of higher education, which reflect the organisation’s own and its member states’ political interests, economic trends and recent political turning points. This phenomenon can be described as political “agenda-setting” or Foucauldian governmentality. (Kallo 2010: 22.)

The operational environment of Finnish higher education has ranked well in international comparisons. However, new pressure for development has occurred as Finland has problems in meeting some of the objectives related to quality. In order to be efficient, universities are expected to increase internationalisation, connect to global information flows and strategic knowledge networks, as well as operate actively in the quickly expanding research and education markets. Finland’s strength is top expertise, but in order to compete with international excellence, strategic actions are required from individual universities. (Sallinen 2003: 8–9.) Universities are aware of this, as during the past decade, universities in Finland have increased the number of courses and study programmes taught in English (Nokkala 2014: 145). Predicting the future of Finnish higher education internationalisation is challenging, as major reforms are about to be implemented during the upcoming years. The Finnish Government has decided to demand higher education institutions to charge tuition fees from students from outside the EU or the European Economic Area (EEA) (Government Programme 2015.)

The attitude towards international operations in universities has changed. Exchange programmes, international degree programmes and transnational research cooperation and funding structures have become closely integrated with general higher education policy and its goals. International operations of universities have “institutionalised” into the organisational as well as the national higher education system. The mission of universities is re-conceptualising in the society. (Nokkala 2007: 15–19.) Higher education policy discourse is influenced by the dominating trends in global networks. These ideas

are connected with neo-liberalism, self-management, performance-based steering, target setting and accountability, public choice theory and the new managerialism, which applies the ideas and processes of business management into the ways universities operate. (Nokkala 2007: 19.) These ideas aim to narrow the public political decision-making, especially when the pursuit of social equality and national unity restrict the freedom of national and international market forces (Rinne 2006: 188).

### 1.1. Previous research

Previous studies on higher education internalisation have described the internationalisation process through various dimensions. Terhi Nokkala (2007) has studied the forms of discourse used in policy documents produced by European and Finnish universities and by central Finnish higher education actors in order to describe the internationalisation of higher education. She has approached the subject through researching the roles and tasks of the university as a social institution in the context of competitive knowledge society in Finland and in the European higher education arena. According to Nokkala (2007), new modes of governance are needed, as the role of universities and higher education as social institutions has become complicated due to the fragmentation of society. Instead of just a single society, universities must respond to governments, academics and students, employment markets and industries, professions, status groups and reference groups, communities and localities, and the dis-localities of the global. (Nokkala 2007: 19.)

Internationalisation of higher education has also been studied from the management point of view. Minna Söderqvist (2002: 13, 201) has studied how the middle management of internationalisation of higher education institutions understand the management of higher education institutions. Söderqvist argues, that as higher education is becoming an industry and managing of internalisation in the developing higher education has become a new scholarly research field, also commercialisation of higher education has become an important phenomenon, that should be studied with the tools of international business. She also suggests a different kind of definition for higher education institution

internationalisation compared to other scholars. “Internationalisation is the process of integrating an international dimension into the research, teaching and services functions of higher education” (Söderqvist 2002: 13, 201). This definition opens a new dimension and therefore, Söderqvist suggests that the current higher education discourse considers the financing of universities through internationalisation. The two other discourses identified by Söderqvist, consider the higher education institution as a competitive and appreciated actor, emphasising the need to connect to international networks and the aims to develop towards a multicultural and more equal world.

The internationalisation of higher education has also been studied from a critical point of view. Jane Knight (2013: 84) has focused her research on the international dimension of higher education at the institutional, national, regional and global levels. She has concentrated on studying whether the change in higher education, caused by globalisation is for the better or worse. Knight has expressed concerns over the consequences of internationalisation, such as commercialisation, diploma and accreditation mills, international rankings and the great brain race. She also claims that the importance of internationalisation is often recognised, but the benefits, risks and processes are not fully understood. According to Nokkala (2007: 18) most of the definitions and classifications of internationalisation in research share two characteristics. They see internationalisation as a change process, and more precisely, as an organisational change of the university. They also equate the responsiveness of the university and higher education policy to the changing context of higher education.

## 1.2. Research questions

The research questions examine the process of transnational ideas entering national higher education internationalisation policies in Finland and the way they were considered by managers of Finnish universities. The higher education system in Finland includes universities and polytechnics. The present research focuses only on the internationalisation of universities. In order to form an accurate overview of the current situation, two research questions were derived. The research problem of transnational ration-

ales in national policies and in universities was approached in two stages. Firstly, the transnational ideas in Finnish higher education internationalisation policies were recognised and examined:

*1. How do OECD's transnational ideas and rationales for internationalisation of higher education institutions appear in the higher education policies of Finland?*

The study aimed to describe the transnational ideas set by the OECD and explain the process of how the idea had entered the national policy. Secondly, the findings of the first research question were applied into the second research question, which aimed to examine how managers of Finnish universities understood the rationales behind the national higher education internationalisation policies and whether they agreed with them:

*2. How do the managers of Finnish universities respond to the higher education internationalisation policies conducted by the Finnish government, and to what extent do the managers agree with the transnational ideas?*

Even though universities are steered by national government policies and they are strongly dependent on public funding, they are highly autonomous organisations and the managers of universities have a fairly big influence on how the institutions operate. The present research aims to answer the two research questions through the source material. Knight's (2004: 21) theory on the division of rationales to internationalise higher education were used to study the different perspectives of the process. The hypothesis is that the transnational ideas that appear in the OECD's recommendations for Finland are visible in Finnish national government policies. The national government policies aim to create solutions that direct the whole university network and aim to make it more competitive and influential and therefore OECD's statistics are used as a reference. However, the managers of Finnish universities analyse the policies from the point of view of an individual university taking in consideration the international setting, but also their own operating environments. Therefore, it is likely that university managers will find problems in the policies concerning internationalisation of higher education that the Finnish Government does not address.

### 1.3. The structure of the study

The structure of the present research is based on an introduction and five main chapters. The introduction explains the background of the study and the emphasis of the research. The introduction chapter also looks into previous research and the current discourses of the subject. The final part of the introduction presents the two research questions and the research aims of the study.

Chapters two and three form the theoretical part of the present research. The second chapter of the thesis presents the conceptual framework on how transnationally formed ideas enter national policies. This chapter presents the most important definitions considering the transfer process and also introduces the main actors influencing higher education policies. The third chapter concentrates on internationalisation in higher education. The aim of the chapter is to firstly describe the governmental motivations to internationalise higher education. The chapter gives a presentation of the Finnish higher education system and the current situation of international activities in the higher education arena of Finland. The final part of the third chapter takes a deeper look on the different aspects of internationalisation of higher education. It aims to define and explain the common internationalisation concepts in higher education.

The fourth chapter gives an overview on the methodological aspects and tools of research chosen in the present study. The qualitative case research includes ten interviews of managers from seven Finnish universities. An introduction of the research methods used and the theory behind them is also given. Also, Finnish universities and more precisely the management of the universities are introduced, as they present the case organisations in the semi-structured interviews.

The fifth chapter presents the empirical findings of the conducted research. As the research utilised two different research methods, the chapter divides the findings into two parts. The first part analyses the findings through qualitative content analysis. It concen-

trates on studying the transnational ideas in Finnish higher education internationalisation policies. The second part focuses on the findings of the semi-structured qualitative interviews, which seek to understand the views managers in Finnish universities have on higher education internationalisation policies that reflect transnational ideas. The research is qualitative and therefore, the findings are presented through a division of themes that are based on Knight's (2004: 21) division of rationales to internationalise higher education.

The final chapter of the thesis presents the conclusions of the present research. The chapter answers to the two research questions presented in the introduction of the thesis on the basis of the findings gathered from the qualitative content analysis and the qualitative semi-structured interviews. The final chapter also compares the findings of the present research to previous studies and gives suggestions for further research.



## 2. TRANSNATIONAL STEERING OF POLICIES

This chapter presents the conceptual framework on how transnationally formed ideas enter national policies. It also presents the most important definitions considering the transfer process and introduces the main actors influencing higher education policies and more specifically how the OECD influences national higher education internationalisation policies.

### 2.1. Public management reform

Public management reform became a common issue in western countries first time in the late 1960s and early 1970s. The period of “high modernism” arose ideas of more rational strategic policy-making through the growth of science and technology and deepened understanding of social sciences. In the 1970s the global economic situation and the early predictions of a financial crisis spread the belief that Western welfare states had become too expensive, ineffective, and relentless. During the 1980s many Western welfare states started major central government reform programmes that aimed to save money and increase efficiency. Also known as New Public Management (NPM), the trend behind these reforms aimed to change governments more business-like and force public bureaucracies to take more responsibility on productivity. (Pollitt & Bouckaert 2011: 6.) In practice, this meant that all public services had to start adopting the market-oriented point of view, which treats citizens as customers instead of seeing them for example as patients or students. The attitude in the way public services were seen had changed. The aim was to organise services in a way that they were as cheap as possible and as many citizens could be served as quickly and efficiently as possible.

The concepts of New Public Management are often referred to as Anglo-Saxon ideas as Australia, New Zealand, the USA and the UK governments took the first and biggest steps towards the reforms. One of the most well known supporters of the NPM doctrine was the former prime minister of the United Kingdom, Margret Thatcher, who led the UK government in the 1980s to take a leap towards extensive reforms, in order to rein-

vent a government that works better and costs less. (Pollitt & Bouckaert 2011: 10–11, 149.) The reforms the NPM doctrine brought, differed a lot from the traditional public administration in the sense of developing the public sector. The term public administration was replaced with public management in discourse. The priority of the NPM reforms was to highlight productivity, cost-effectiveness and efficiency as the main focus, when organising and especially managing public services. (Virtanen & Stenvall 2010: 47.) The pressure to change the way public sector management was organised became extremely strong in all of the OECD member governments, as each government one after another started to adopt the public reform policies, regardless of which political side right or left the major parties represented. (Harrinvirta 2000: 186–190.)

### 2.1.1. Governance

In the late 1990s and early 2000s the political conversation had started to turn towards the threats of the collapsing of public services and the fear of terror, which resulted in loss of public trust towards the governments. The diminishing benefits of a welfare state and the growing threats made people question where the tax money they were paying was going and if the government was capable of taking responsibility. Governments saw the need to open up and by being more transparent, they aimed to show the public a more responsible and trustworthy image. Globalisation was brought to the table in political debates and media discussions. (Pollitt & Bouckaert 2011: 7–8.) Globalisation is a phenomenon that widens, deepens and speeds up the worldwide interconnectedness and grows interdependence and convergence. Globalisation is described as less steerable by governments than the process of internationalisation and therefore, internationalisation has in some sense become a way to respond to globalisation. (Van de Wende 2007: 274–275.)

Due to the quickly expanding transfer of information, governments were compared with each other more openly than ever before and the pressure for governments to explain how they work was growing. It became impossible for governments to ignore international organisations and concentrate only on their domestic operations. Therefore, it was not anymore enough for governments to perform well domestically. They needed to rep-

resent themselves effectively in the ever-expanding international networks of international institutions. This change has been referred to in different ways, some have seen it as a phenomenon of post new public management and some refer to it as time of transparency or participation. The traditional idea of governing was shaped by globalisation, as the process had started to involve border-crossing networks and therefore a new term “governance” was introduced to the discourse. (Pollitt & Bouckaert 2011: 7–8.)

In the beginning of the 2000s it can be stated that a new model of reshaping the government, called New Public Governance challenged the New Public Management reforms. The term “governance” refers to “governing without government”, which means that different forms of regulation started forming policies globally without any overarching political authority. (Mahon & McBride 2008: 5–6.) The main aim of governance is to solve issues through cooperation across national borders (Virtanen & Stenvall 2010: 55). Governance has opened up governments and utilised transnational networks in different fields, instead of staying behind the traditional organised hierarchies.

Many changes in the surrounding society affected the changes governments were going through. Development of technology and the internet made communication easy and fast, which brought countries closer to each other. The benefit of governance is the possibility for continuous interaction and exchange of resources (e.g. expertise, knowledge), which urges organisations to work effectively, benefiting all stakeholders involved. However, one of the biggest challenges of the new public governance doctrine is the lack of hierarchy, as authority is divided between several stakeholders, possibly in several different countries, it can be challenging or even impossible to know who is in charge. (Virtanen & Stenvall 2010: 56–57, 59.)

Globalisation, active citizenry and aggressive mass media, which came with the new form of governance, cut down the domestic authority of governments. Public management became a frequent answer when ministers and public officials were asked how they were going to tackle challenges and issues that the countries were facing, as it was the one part of governance they were able to control. Due to the financial and economic crisis in 2008 many European governments, in addition to public sector reforms, had to

start implementing challenging cuts to public services. (Pollitt & Bouckaert 2011: 8–9.) In Finland, most political parties have admitted that actions must be taken. However, the political debate on how reforms should be implemented has not been unanimous, because many supporters of the traditional Nordic welfare state are afraid that the prospective public sector reforms and cuts to public services will increase the gap between different income levels. (Heiskala & Luhtakallio 2006: 89.)

The most radical change towards international integration in Finland happened when Finland joined the European Union (EU) in 1995 and the monetary union of the European Union in 1998. Being a EU member meant that a part of Finnish decision-making moved to the EU. (Heiskala & Luhtakallio 2006: 89.) A wide range of contemporary public sector management concepts and techniques have influenced Finnish Government policies (Pollitt & Bouckaert 2011: 241). Transnational fiscal organisations have since the 1980s driven policies, that encourage national markets to open up to international competition and at the same time have reduced the role of the public sector. The Finnish government has given up parts of its governing responsibility. Instead of seeing private and public sectors as opposites the new idea of governance in Finland sees them working in cooperation. The government takes the greatest responsibility in managing the networks and the cooperation between organisations, however, markets, the civil society and individual citizens are given more responsibility than they have had before. (Heiskala & Luhtakallio 2006: 91–92.)

The term “transnational” refers to the blurred boundaries between countries, without implying the disappearance of nation-states. Transnational governance makes it very difficult to separate what takes place within national boundaries and what takes place across and beyond nations. Also the actors of transnational governance go beyond individual states and can be individuals, groups, movements or even business enterprises and therefore the term “transnational” describes the phenomenon better than “international” or “global”. Unlike the common assumption that transnational governance would bring more freedom and ease the actions of organisations it in fact generates even more regulatory activity. Through transnational governance, nations are more dependent on each other and therefore more coordination across countries and regions is needed.

(Djelic & Sahlin-Andersson: 4.) For example the European Union is a transnational organisation that has strong influence on its members' policies and therefore, it can produce policies and standards in certain fields in the form of international regulation, which strongly binds the member states. It has also the power to give sanctions if needed. (King 2010: 584.)

### 2.1.2. Transnational networks

Instead of traditional diplomatic channels, policies are implemented in networks that involve other actors than just the appointed government officials, such as non-governmental organisations and private companies. Accountability and credibility are measured in a new way, by evaluating for example the transparency and market incentive instead of just following formal rules. The change that has happened in the ways government works is still rather weakly understood, as there is no comprehensive map on new transnational political institutions. For example after the global financial crisis in 2008, the networks of government regulators have shaped the technical standards that have shaped the global economy. (Hale & Held 2011: 1–4.)

Networks have great power in government decision-making. Policymakers examine the decisions taken by other autonomous states before making individual choices for the government. The strong influence of other countries makes governments less autonomous. As policies are adopted worldwide it has become difficult for individual countries to resist the ideas and stick to their traditional operating systems. Higher education governance has developed in the same direction in many countries. Models are adopted quickly after the changes are seen in other countries. A common belief in policy making has changed; the core idea being that “if other governments are changing, the change in our country is also inevitable”. (King 2010: 284–285.)

Governments have frequently failed when trying to enforce regulations that aim to solve global issues and therefore, private organisations have been taking action and in some cases, managed to get better results. Global issues concerning the environment, demography, human rights, terrorism and other threats and risks have become very difficult to

handle by individual states by themselves. Many transnational standards and policies have been implemented because of the global issues. They are widely affected by different private groups, through networks that have managed to get visibility and credibility. Understanding the change is important in order to theorise the causes and effects behind the innovations of transnational governance. Only this way scholars and policy makers can form and implement new and already existing institutions that are truly able to cooperate and manage globalisation. (Hale & Held 2011: 1–4; Rinne 2006: 185.)

The network power of transnational organisations has increased due to nation states' weakening abilities to independently respond to global problems and challenges. Dependence on guidelines issued by transnational organisations and expert networks strengthen the power that transnational actors have on policies that countries have traditionally had sovereignty over, like the education policy. (Kallo 2010: 20; Hunter 2013: 708.) Many scholars are sceptical about whether international politics and transnational organisations can replace individual countries, though a majority of scholars see that the priority given to countries no longer holds true, due to the increasing international mobility of capital and the intensification of global trade. Scholars face a problem when trying to explain the structure of a transnational state, as it remains to be seen whether a transnational capitalist hegemony can become established and what institutional configuration could achieve its maintenance and reproduction. (Hartmann 2015: 97.)

### 2.1.3. Policy transfer

Policy transfer is a phenomenon that has grown quickly due to the increasing cooperation and integration between different countries. Over the past decade, technology has developed into the point where it has become easier and faster for policy-makers to exchange ideas with each other, than ever before. Researchers have given the phenomenon several different terms, which include for example policy convergence and policy diffusion. According to Dolowitz and Marsh (2000: 5) all of the terms mentioned, aim to describe how knowledge about policies, administrative arrangements, institutions and ideas in one political setting (e.g. government, organisation) are utilised in the development of policies, administrative arrangements, institutions and ideas in another political

setting. According to Mahon and McBride (2008: 6–7) policies are not always simply copied in a standard form. Especially in advanced capitalist countries policy transfer takes the form of policy learning, which shapes and translates the ideas behind the policies and program models to different settings, taking in consideration the local interests.

Mahon and McBride (2008: 6–7) suggest that transnational organisations like the OECD help governments through transnational knowledge networks to learn how to be modern states that share an understanding of what is appropriate. According to Grinvalds (2008: 188) policy makers are not able to immediately use or apply foreign ideas. Similar to linguistic translation, ideas need to be interpreted, modified, and negotiated taking into consideration the local context and players. Grinvalds continues to state that through the process of translation, the foreign ideas can affect what policy makers know and what they perceive to be in their interest. Even though policy ideas recommended by the OECD might “get lost” in the translation process, the power of the influence of the recommendations should not be underestimated, as the interest of policy makers in different countries might change and the ideas might be taken into consideration later on.

Grinvalds (2008: 188–189) examines policy translation in three parts: idea transfer, idea acceptance and idea impact. The idea transfer is already evident when for example the OECD member states are aware of the ideas of the OECD and the idea is debated or commented in the national media, interest group publications, government documents, or parliamentary debates. Acceptance occurs when individual policy makers or political parties start supporting the idea. Evidence of impact is found in actual policy changes or in government documents that explain why some reforms were made and others not. Even though an idea that is given by the OECD might remain on the stage of idea transfer and might not be favoured by the decision makers, it does not necessarily mean that it would not have any effect. Decision makers change regularly and therefore the context changes. (Grinvalds 2008: 188–189.)

Dolowitz and Marsh (2000: 10–11) argue that policy transfer has two forms when it comes to the binding nature of transfers. Policy-transfer can be either voluntary or coer-

cive transfer. Several political actors are engaged in the policy transfer processes. These can be elected officials, political parties, bureaucrats or civil servants, pressure groups, policy entrepreneurs and experts, transnational corporations, think tanks, transnational governmental and non-governmental institutions and consultants. Dolowitz and Marsh claim that transnational organisations such as the World Bank work together with certain political consultants when they aim to get involved in policy transfer. The governments looking for a policy transfer might be forced to get involved with these kinds of organisations in order to get for example financial help, but they usually have the opportunity to independently choose their consultant. The involvement of international consultants makes it hard to distinguish voluntary and coercive transfer.

Transnational organisations, like the OECD use their influence through “discursive interventions”, by creating conceptual models or classifying and categorising phenomena. Problems are distinguished and named and attempts to solve them are proposed. In some cases the named problems might not even exist objectively in the community. Policy can be seen as a discourse and therefore, the one who names and defines a problem has the advantage in solving it. The usual process follows a pattern where a policy reform is implemented as an experiment and then gradually made permanent. Discourse plays a great part in this process together with non-verbal ideologies and power play. A careful text analysis of official policy documents can therefore help tracking policy changes and explain more accurately the developments that lead to implementation of the policies and the ideologies. (Saarinen 2005: 4–5.)

#### 2.1.4. Policy success and failure

Copying policies can be very problematic. Contexts may vary between different countries and therefore, it is not certain that a particular public management reform solves same issues in other governments. (Hyyryläinen 2014: 302.) Therefore, instead of solving problems or improving old systems, policy transfer can, and often does, lead to policy failure. When discussing policy transfer, it is important to understand the relationship between policy success and policy failure, as it is often understood that policy



transfer will in all cases lead to a successful implementation. (Dolowitz & Marsh 2000: 6.)

Dolowitz and Marsh (2000: 17) have identified three factors, which have a significant effect on policy failure. According to their research the first factor is called the uninformed transfer, where the borrowing country might not have a realistic idea or enough information about the policy or the institution and the ways it operates in the country from which it is transferred. The second factor is named the incomplete factor, where transfer has occurred, but crucial elements of what made the policy or institutional structure a success in the originating country, are not transferred and therefore, the policy-transfer fails to be a success. The third factor identified by Dolowitz and Marsh is called the inappropriate transfer, which describes the situation where not enough attention is paid to the differences between the economic, social, political and ideological contexts of the transferring and the borrowing country. It often seems that the transnational recommendations given by transnational organisations, mainly aim to find out how a problem is solved instead of actually defining the problem itself. The OECD's indicators and standards affect how a good standard of education is understood. (Hyryläinen 2014: 307–308.)

Due to globalisation and integration, countries rely more on each other when new reforms are planned. Being a member of the OECD or the EU obligates countries to follow the reforms implemented in the countries that belong in the same reference group, even though no binding reforms exist. (Hyryläinen 2014: 303.) The reasons behind the growing frequency of policy transfer are clear. All governments in the industrialised or industrialising world are under enormous global economic pressures, as the world economy is transforming with new forms of production and trade. And due to the global economic forces, the influence of national policy-makers is diminishing as transnational corporations and institutions have gained more power. The amount of information available to national policy-makers has also made the following of other political systems for knowledge and ideas about institutions, programs and policies as a normal process of decision-making. International organisations, like the EU and the World

Bank, can support or even enforce similar policies across diverse countries. (Dolowitz & Marsh 2000: 6–7.)

Even though the policies provided by transnational organisations like the EU or the OECD are voluntary for the member states, they force governments to reveal their own existing policies in order for others to examine and critically evaluate how they perform (Mahon & McBride 2008: 5–6). The evaluations and the standards that are formed create pressure and have a strong impact on how organisations choose to operate. According to Djelic and Sahlin-Andersson (2006: 82–83) the standards that have been formed through transnational governance have created the present degree of global order. Harinvirta (2000: 192) states that during the reform movement in the 1990s the strong welfare state tradition in Nordic countries made their governments slow down on engaging in radical independent marketization compared to the level most of the Anglo-Saxon countries did. However, these traditions could not prevent Nordic countries from adapting to marketization requirements of EU integration. The timing is also crucial when transfers are implemented. If governments are under pressure to find a solution to an urgent problem, they are more likely to end up in introducing a transfer, because the need for some sort of solution is imperative. Hurried transfers are less likely to be successful, because the lack of time will most definitively lead to a limited search for models and research on the policies, and therefore the transfer might cause more harm than good. (Dolowitz & Marsh 2000: 8.)

#### 2.1.5. Soft regulation

As the need for more regulations has grown through the trend of transnational governance, it has become somewhat unclear how obliged different organisations and individuals are to follow them. Stakeholders that have no hierarchical authority over other organisations or individuals provide rules and therefore those rules are non-binding. In order to tone down the domineering associations the words “rules” or “regulations” bring, the information is given in the form of recommendations, guidelines, advice, etiquette, best practices or standards. (Ahrne & Brunsson 2006: 82–83.)

Transnational governance largely builds on standards, norms and guidelines, which are also known as soft law or soft regulation, which are used to direct organisational, administrative and management issues. The soft regulations that emerged from the NPM doctrine have in some cases changed into harder forms of regulation as they have been adopted by many international organisations. For example the International Monetary Fund (IMF) has adopted some NPM soft regulations and used them as strict requirements that countries must meet in order to receive loans. (Djelic & Sahlin-Andersson 2006: 17–18.)

## 2.2. Transnational organisations influencing higher education

The OECD is an integral part of a network of transnational organisations, which also include organisations such as the World Trade Organization (WTO), the World Bank and the United Nations Educational, Scientific and Cultural Organisation (UNESCO). Primarily, they are all economic organisations. (Rinne 2006: 192.) According to Rinne (2006: 192), if these four organisations were compared based on their policies, the World Bank and WTO would be placed at the hard-core end of the economy and UNESCO would represent the softer line. The OECD would be somewhere on the hard side of the centre.

The World Bank is a transnational financial institution that names reduction of poverty and sustainable worldwide development as its main goals. The World Bank is known for its liberal economic policies and it has been criticised for placing economical views before social aims and human rights. The World Bank sees effectiveness, good governance, higher education relevance, equity and transparency as the most important aspects when developing higher education policy. It also emphasises that higher education should answer the needs and challenges of the society and labour market. UNESCO aims to support the development in the fields of education, science, humanities and social sciences, culture and communications by organising various programmes and preparing international agreements, statements and recommendations. (Nokkala 2014: 150–151.) UNESCO is the only United Nations agency that has a mandate in higher educa-

tion. Hartmann (2015: 91, 99–100) states that UNESCO helps internationalise higher education by focusing on the mobility of students and academics by promoting the recognition of higher education degrees.

According to Gupta (2015: 4) almost all countries in the world have taken in ideas concerning educational policies from transnational organisations. As individual governments are facing fiscal constraints, these organisations are providing a platform for trade in higher education as a solution. Theoretically, countries are not forced to make use of the transnational recommendations given by organisations like the OECD (Laukkanen 2006: 229). However, the various epistemic networks of experts and the recommendations of the transnational organisations cause peer pressure that shapes national education policy agendas, the ideas about what education means for the individual and the society, what kind of values education convey and the direction of the objectives of education policies in the future. The strengthening power of transnational actors is challenging the principles of democratic decision-making and reducing its transparency. (Kallo 2010: 26.)

### 2.2.1. OECD as an organisation

The Organisation for European Economic Cooperation (OEEC) was established in 1948 in order to run the US-financed Marshall Plan for reconstruction of Europe after the Second World War. The aim was to recover Europe by making individual governments recognise the interdependence of their economies and encourage them to cooperate. The Organisation for Economic Cooperation and Development (OECD) was officially founded on 30 September 1961, after Canada and the US joined OEEC members in signing the new OECD convention in 1960. Today, the OECD has 34 member countries worldwide. Brazil, India, China, Indonesia and South Africa, are Key Partners of the Organisation and contribute to its work comprehensively. All together, the OECD brings around its table 39 countries that account for 80% of world trade and investment, giving it a key role in addressing the world economy. (OECD 2016a.)

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities also participates in the work of the OECD. (OECD 2009; OECD 2016a.)

The central idea behind the OECD has been the promotion of economic growth (Rinne 2006: 193). Education was recognised as an important part of the overall mission of the OECD relatively late. From the Washington conference in 1961 onwards, plans started for massive expansion in education systems, in order to produce information on education for comparative research. The Centre for Educational Research and Innovation (CERI) was established in 1968 and in 1970 the Educational Committee replaced the Office for Scientific and Technical Personnel. (Rubenson 2008: 243; Rinne 2006: 193.) The OECD has been reviewing the ways education is organised in its member states from the early 1990s, regardless of whether or not its former recommendations have been implemented in the country (Rubenson 2008: 245). Although organisations such as the OECD are in some extent able to influence the content and administration of education, individual countries retain sovereignty in the field of education policy. Therefore, the education systems are administratively still national. (Kallo 2010: 25.)

In 2002 the emerging knowledge economy and knowledge society started shifting the focus of the OECD towards education and it finally got its own directorate. In 2003 the directorate of education confirmed as its strategic objectives to assist members and partners in achieving high quality lifelong learning for all, contributing to personal development, sustainable economic growth, and social cohesion. (Deacon & Kaasch 2008: 231.) The educational directorate has different institutions, of which two are core programs. The core programs are the Education Policy Committee (EdC) and the Centre for Educational Research and Innovation (CERI). These programs are governed by inter-governmental bodies, which involve all member countries of the OECD. The core funding comes from the so-called “part I program funding”, meaning the OECD base

budget. The so-called “part II program funding”, which partially or in some cases fully funds some of the core programmes’ activities, comes directly from countries or institutions and is targeted to specific activities. (Rubenson 2008: 243; Kallo 2009: 282.)

The other institutions in the directorate include the Institutional Management in Higher Education (IMHE), which was created to find new management methods and administrative strategies for the expanding university system, the Programme on Educational Building (PEB) and the Programme for International Student Assessment (PISA), of which PISA has been influential in member countries. (Rubenson 2008: 243; Kallo 2009: 202.) One of the latest programmes is the Assessment of Higher Education Learning Outcomes (AHELO), which is still rather unknown. The AHELO programme aims to measure the learning outcomes of higher education in individual countries. (Nokkala 2014: 149.) The highest decision-making body of the OECD monitoring the Directorate for Education is the Council. The members of the Council are the ambassadors of the OECD member countries. Over the past five decades the OECD has published more than a thousand assessments and surveys considering education from almost hundred different topic areas. (Kallo 2010: 24.)

#### 2.2.2. OECD’s higher education objectives

OECD has stated that the only demands on members are commitment to a market economy and democracy, and respect for human rights (Rinne 2006: 193). It is often assumed that the OECD only draws good practices that resemble the policies in “liberal” welfare states, however its studies also emphasise themes such as prevention of social exclusion and equality. The OECD’s education policy has mainly framed education as human capital investment or development and measured the performance on the basis of how well students are employed after graduation. In other words, the higher education policies have largely been evaluated on the basis on how efficiently the state gets return on minimum input, in other words more results for less public funding. (Deacon & Kaasch 2008: 230–231; Rinne 2006: 191.)

Globalisation has enhanced economic principles that define the change in the “knowledge economy” and therefore higher education is seen as the main area producing human capital for global economic competition (Rinne 2006: 190). The main transnational trends promoted by the OECD since the 80’s have included:

- Developing the education system to become more efficient. This trend refers to actions such as, shortening study times and minimising dropouts in order to decrease costs of education.
- Introducing strategic management of the NPM doctrine and the values of enterprise culture into higher education administration.
- Replacing block funding with a process of negotiation between educational institutions and the Government. Funding is tied to conditional contracting, meaning specific objectives and monitoring of results.
- Adding evaluation processes into the higher education system as normal elements of the operations, which aim to assess the institution based on the results rather than the objectives. (Rinne 2006: 191–192.)

The service industry is estimated to be one of the fastest growing sectors in trade. Trade in services covers 1/5<sup>th</sup> of global trade and 60-70% of GDP in the advanced OECD countries. 75% of the overall trade in services is located in the industrial OECD member states (e.g. US, Canada and the EU) and 25% in China, South Korea, Singapore and India. If the national regulations in service fields like education were lifted the trade in services could grow vastly. Especially in advanced countries that have English as their native language, the institutions that collect tuition fees have been highly profitable businesses for the domestic economy. For example in Australia education is the country’s 14<sup>th</sup> largest export earner. (Robertson 2006: 144–145.) Therefore, it is not surprising that higher education policy has also clearly received the largest amount of attention in the OECD, when compared to other sectors of education (Kallo 2009: 201).

The OECD’s objectives on education policies have shifted from the 1960’s objective of producing highly educated labour force into the 1990’s objective, which aims to guide higher education system to take the responsibility in guaranteeing national competitive-

ness in the global market. The Educational Directorate of the OECD has managed to gain transnational hegemony over the educational agenda in its member states regardless of the fact that it has no budgetary power over the states or ability to issue peremptory provisions to them. (Kallo 2009: 202–203.) Rubenson (2008: 244) claims that the lack of power has developed the organisation into a semi-autonomous educational group of experts, that is capable of conducting advanced long-term planning and therefore it has also been considered partly as an international civil service for all of its member states rather than a watchdog.

### 2.2.3. OECD's operational practices

OECD-facilitated arenas have contributed to the creation of an epistemic community that has provided reform ideas and arguments for administrative policy-making. The non-binding best practices, recommendations, policy briefs and other forms of standards given by the OECD influence administrative policy making in member governments and other involved states. (Hyyryläinen 2014: 297.) In the field of education, one of the reasons why member countries have started to modify their system of degrees and curricula to resemble each other is to reassure their students' labour market competency and eligibility for further studies internationally (Rinne, Simola, Mäkinen-Streng, Silmäri-Salo & Varjo 2011: 35).

The OECD's operations, such as the non-binding best practices for countries, are a form of soft regulation, which affect national policies indirectly. The organisation has a great impact on national educational policies through international comparisons, such as the Programme for International Student Assessment (PISA), which has received huge attention all over the world. The OECD reviews its member states and uses a strategy of peer pressure in order to encourage countries to become more transparent and to accustom themselves to self-criticism. (Moos 2013: 3–5; Nokkala 2014: 149; Rinne 2006: 193.) The OECD differs from other transnational organisations in the sense that its steering power is based on data management. The OECD has managed to get into a position where it has strong influence on Western industrialised countries' national decision-making. The OECD's published studies have been used to legitimise financially or



otherwise, strict education policy solutions in political decision-making. No other transnational organisation has affected the Western industrialised countries' education policies to the extent that the OECD has. (Rinne, Kallio & Hokka 2004: 36.)

The process of the OECD's peer review begins with a report prepared by the national authorities, which is submitted to a group of experts appointed by the OECD. Based on the submitted reports the group of experts prepare a document that is called the "Country Notes", which is a final report that assesses the country's performance and gives recommendations for the future. The reviews focus on chosen fields and issues but also aim to assess the country's education and training system as a whole. The findings are reviewed in a confrontation meeting by senior national policy makers and published by the OECD. (Rubenson 2008: 245.) In addition to OECD's educational publications, also OECD's report that deal with for example economic policies, innovation policies, science policies, regional policies and public governance often include ideas on education policies (Laukkanen 2006: 220).

Kallio (2006: 282) has defined and described four different elements and special characteristics that are found in the OECD's operational procedures. They are "strategic consultation and offering global solutions", "peer pressure", "public studies and media relations" and "direct and indirect agenda setting". These elements and characteristics are described in the following paragraphs in the same order in which they usually occur in the OECD's processes.

The first element is "strategic consultation and offering global solutions", which in the case of the OECD describes the consultation it gives to its member states. The OECD's consultation resembles in many ways the strategic consultation offered by transnational enterprises, such as Accenture or McKinsey. First the OECD provides strategic consultation, which aims to create a need to improve something. For example the OECD defines a problem in the way a Finnish ministry operates, by asking questions, interpreting weak signals or making statements based and justified by the truth offered by experts, usually without discussing alternative views. After the client has been convinced of the usefulness of the study and the agreement has been made, the consultants check for

flaws in the target system and suggest improvements. After this the consultants aim to substantiate their solutions and find out from the client, if there are new projects to work with. (Kallo 2006: 282–284.)

The second element is “peer pressure”, which appears through the OECD’s international peer reviews. The aim is to get countries to adopt the OECD’s best practices and understand established principles and standards. Indicators and statistics have a strong power of influence and persuasion. The organisation controlling the design of indicators in the comparisons has a very strong political tool. The third element is “Public studies and media relations”. The OECD has the ability to attract huge audiences when it publishes reports such as peer reviews. The OECD uses a proactive strategy in promoting its studies in the mass media, which means that it takes actively part in the debates considering its studies after publishing them. (Kallo 2006: 285–287.)

The fourth element is “direct and indirect agenda setting”. At least two different types of agenda-setting that aim to influence future politics in member states can be defined from the OECD’s procedures; direct agenda-setting and soft or indirect agenda-setting. Direct agenda-setting refers to the recommendations given by the OECD, that have been partially or completely adopted through national reforms. The impact of OECD’s assessments on national education policies might be challenging to verify, as the influences may be partially unconscious, consequential, and indirect. Also, as in most cases the OECD’s recommendations are confusingly consistent with the current political rhetoric and reforms of the member states. The reason for this is the way in which the OECD carries out its assessments in the member countries. The member countries order assessments from the OECD usually during the preparation of national reforms. Soft agenda-setting refers to the processes where the OECD tries to make its member states become aware of certain subject and themes, which it aims to promote. (Kallo 2006: 287–288; Kallo 2010: 23.)

The technological progress has increased the flow of information between different stakeholders, which has also made the pace of policy transfer faster. Therefore, it is difficult to analyse whether the ideas for certain reforms are born in the OECD expert

groups or in ministry research groups or in some cases, somewhere else. The OECD has been criticised for doing research mainly on themes that are of interest of especially the wealthier member countries, which bring most of the funding for the organisation. (Kallo: 2010: 23–25.) Critics also argue that viewing education from an economic point of view favours the Anglo-Saxon interests and might undermine education as a human right (Robertson 2006: 140).

#### 2.2.4. OECD and Finland

Finland is a small country compared to the other OECD member states. Despite the small population, Finland has been very active in the OECD operations and has an influential position in the organisation. From August 2014 Mari Kiviniemi started as OECD Deputy Secretary-General. She was Finland's Prime Minister from 2010 to 2011 and a Member of the Finnish Parliament from 1995 to 2014. Her role includes increasing the impact and relevance of the OECD's work and contributing to the public policy challenges of promoting inclusive growth, jobs, equality and trust. She has held many leadership positions in her political party, the Finnish Center Party, which is currently the leading party in the three-party governing coalition of Finland. (OECD 2016b.)

According to the OECD's 2010 assessment of Finland's system of governance, Finland is seen as a very well governed country. Finland performs especially well in the fields of education, healthcare and e-government, however according to the OECD there is stiffness in the systems concerning such issues as demographic change and globalisation that OECD sees as issues that might cause problems for the Finnish Government in the future. (Pollitt & Bouckaert 2011: 268.) The OECD member states generally expect the OECD to identify policy options, deepen its analysis of policies or work on improving understanding of the functioning of education systems through its research data and analysis (Jakobi 2006: 129). The OECD member states generally find the OECD assessments useful because they help to reduce the uncertainty related to the future and to convince those responsible for the reforms that the decisions made are truly necessary. Also in order to justify the reforms to the public, government officials and politicians

can legitimise the ideas behind the reforms through the OECD's studies. (Kallo 2010: 24.)

According to Laukkanen (2006: 233) the committee delegates, who represent Finland in OECD activities, see the OECD as superior compared to other transnational organisations in terms of comparative research. It is appreciated that nationally difficult questions are formed outside national borders and that the OECD is able to detect international ideas and trends quickly. As the OECD member countries are not forced to adopt the recommendations given, also Finland has clearly ignored some ideas, when the OECD has first published them. For example, the OECD proposed the implementation of a binary model of higher education (polytechnics) into Finland in 1981, but the Finnish Government ignored the recommendation. However, after time passed polytechnics have been implemented into the Finnish national higher education system in 1989. (Rinne 2006: 203–204.)

#### 2.2.5. The European Union and the Bologna Process

A transnational approach to internationalisation of higher education was introduced in Europe in the 1970s. The predecessor of EU, the European Economic Community (ECC) established the first Joint Study Programmes and a network for exchanging information on educational systems between member countries in 1976. In 1980 a more formal network was established; the Eurydice network. Later the cooperation led to the establishment of the ERASMUS programme in 1987. The aim of the network was to foster cooperation, mobility and the exchange of information between national higher education institutions and authorities. However, later on it became an important factor in the European integration and the creation of the EU as a single market. (Nokkala 2007: 15.) Finland joined the EU in 1995 and the monetary union of the EU in 1998. Joining the EU meant that a part of Finnish decision-making moved to the EU. Therefore, it was a significant step towards internationalisation. (Heiskala & Luhtakallio 2006: 89.)

The general non-binding agreements to legislation formed by the EU have generally been considered as regulation that benefits all EU member countries and are not seen as a threat to the national governments' sovereignty. However, in some policy fields such as higher education countries have wanted to maintain independent. Good experiences including integration into mainstream higher education policy, the increase in student and staff mobility, the European Commission's financial assistance and the Bologna process have managed to erase most of the fear of national governments. However, there have also been some problematic issues considering the language used in universities and the national ideas considering globalisation. The overall picture is gradually adjusting to the broader transnational agenda. (Huisman & Van Der Wende 2004: 349, 355.)

The Bologna Process has had a major impact on how European higher education operates today. Its main focus has been to develop a European Higher Education Area (EHEA) by 2010. The members of the process include ministers responsible for higher education and the European Commission. The Council of Europe, UNESCO-CEPES and various stakeholders and organisations are also in the process as consultative members. The Bologna process started in 1998, when the educational ministers of France, Germany, Italy and United Kingdom signed the Sorbonne Joint Declaration on Harmonisation of the Architecture of the European Higher Education System. (Eyrudice 2009: 13.) The main objective of the process was to renew the structure of university programmes in order to form degrees that were readable and comparable and to adopt a common degree level system for undergraduates and graduates. The aim was also to improve transferability of education credits, increase transnational cooperation in quality assurance and to support university staff and student mobility. The impact of the Bologna process has attracted considerable attention not only within Europe but also globally. The representatives of countries outside Europe, who are members of transnational elite networks and epistemic communities, engage actively in the discussions regarding the establishment of the Bologna process model. This allows the countries to keep an influential role in the international arena of higher education. (Zmas 2015: 727, 743–744.)

According to Hoareau (2011: 538–539) resistance towards the growing economic competitiveness, was the main reason why Europe needed to integrate further regarding higher education policy. This idea had become a long-term trend diffused in transnational organisations, in particular the OECD where ministers also met each other. The OECD's publications have directed countries to critically assess their performance. From the late 1990's this discourse of international changes and competition has transferred to the European Union through the ministers as part of the Bologna process. The OECD's indicators and benchmarks have been used as subjective indicators, which have shaped a new European identity of competitive advantage and responsible individualism. According to Hoareau (2011: 539) these economic rationales were in line with the ministers' earlier attempts for domestic reforms, but the transnational ideas, which came from the OECD concerning European integration, gave the views the needed additional legitimisation.

In March 2000, European Council launched the Lisbon Strategy in order to transform the European Union in the most dynamic and competitive knowledge based economy by 2010. The attempt failed because of over-loaded agenda and an insufficient coordination between member countries. In 2010, the European Council proposed the “Europe 2020 – A strategy for smart, sustainable and inclusive growth”, a new strategic plan with only three headline targets. The priorities were strongly focused on growth and the main objectives for education were; improving the conditions for research and development, especially with the aim of raising combined public and private investment levels to 3% of gross domestic product (GDP), improving education levels, in particular by aiming to reduce school drop-out rates to less than 10% and by increasing the share of 30-34 years old having completed higher education or equivalent to at least 40%. (Leon & Nica 2011: 4.)

### 3. HIGHER EDUCATION INTERNALISATION

Internationalisation has become a global trend during the last two decades in the higher education arena. Universities advertise themselves and the services they produce with terms such as multinational, cosmopolitan and global. More importantly in addition to wanting to be known as an international institution, universities also want to use the international, intercultural and global dimensions in order to improve or achieve academic objectives of the institution. There has become a growing interest to measure and compare the internationality of universities. However, setting appropriate indicators can be difficult, as internationalisation is a transformative process and it can be difficult to take in consideration if only focusing on the outcomes. (Knight 2015: 108.)

The fundamental transformation of higher education started in the 1960s also known as the time of massification of universities. The rapid expansion attracted the interest of national governments and transnational organisations. (Ahola & Hoffman: 11.) Due to the massification of universities, the academic world today has separate communities including the undergraduate, the graduate, the humanist, the social scientist, the scientist, the professional schools, the non-academic personnel and the administrators. These internal communities are also often connected to alumni, legislators, businessmen and other individuals outside the university system. Universities have changed from the educator of the elites into universities serving the whole society. Today, the interests of modern universities vary greatly and might in some cases be conflicting with each other. “It is more a mechanism, a series of processes producing a series of results, a mechanism held together by administrative rules and powered by money”. (Kerr 2001: 7–15.)

This chapter aims to describe the governments’ motivations to internationalise higher education. The chapter gives a presentation of the Finnish higher education system and the current situation of international activities in the higher education arena in Finland. It will also take a deeper look on the different aspects of internationalisation of higher education.

### 3.1. Rationales behind internationalisation of higher education

Internationalisation of higher education is believed to bring many advantages to individual governments. International cooperation, the implementation of mutual standards in study programmes and joint research projects among many other integrating actions are believed to bring quality to education and mutual understanding between nations. The reasons behind internationalisation are traditionally divided into four categories of rationales that motivate governments to internationalise higher education. (Knight 2004: 21; Nokkala 2014: 131.)

1. Social and cultural rationales, which aim to strengthen national identities, increase cross-cultural understanding between countries and enhance multicultural understanding in higher education institutions.
2. Political rationales, which emphasise the countries' foreign policy position, national security, strengthening national and regional identity, giving aid to developing countries and supporting peace and mutual understanding between nations.
3. Economical rationales, which concentrate on economic growth, ensuring competitiveness and securing functional labour markets. Higher education institutions aim to gain financial profit through international operations.
4. Academic rationales, which motivate both governments and individual higher education institutions to internationalise. The main aim is to emphasise the international dimension in research and teaching, broadening the academic horizon, ensuring the status and profile of individual universities, developing the quality and enhancing significance of international academic standards.

(Knight 2004: 21; Nokkala 2014: 131–132.)

The rationales for internationalisation are clear and shared internationally, but there are also uncertainties that may affect the pace of the process in different countries. Altbach and Knight (2007: 303–304) have mentioned possible uncertainties including national security, government policies and the cost of study, e-learning and quality assurance and control. Altbach and Knight also argue that the future of internationalisation of higher education will provide substantial access in some countries and will remain or become a



“niche market” in others. They also emphasise the importance of ensuring that international higher education should benefit the public before making profit.

### 3.2. Internationalised universities

Internationalisation of higher education is defined as a process of integrating international dimensions into research, teaching and services in order to enhance the quality of teaching and research and to achieve the desired competencies (Söderqvist 2002: 26–29). The internationalisation of higher education is in a cooperative and competitive sense part of a larger political, social and economic international entity. Forced by the economical rationales, internationalisation is used as a tool that aims to improve higher education. The increased number of universities’ overseas campuses and online distance education indicate that marketization has overtaken political, cultural and academic rationales behind internationalisation. (Nokkala 2007: 16.)

Knight (2015: 108–112) divides international universities into three generic models: “classic model”, “satellite model” and “co-founded model”. The models are not mutually exclusive and they do not represent the entire perspective of international universities. The classic model characterises the most common form of internationalisation. It refers to universities that have several international activities and partners and that have an international and intercultural dimension in their academic, research, service, and management initiatives. The classic model universities might for example practice academic student mobility, collaborative research projects, benchmarking or joint program development and delivery. The satellite model refers to universities that are physically present in other countries. Satellite model universities might have satellite research centres, branch campuses, and contact offices for alumni support and developing off-campus research centres. The most recent and rapidly expanding model, is the international co-founded model. It characterises new independent internationally co-founded or co-developed research, teaching, or management offices licensed by the country they are located in, but developed through international collaboration by two or more international partners.

The networked climate among nations and institutions has increased the weight of the global dimension (Van de Wende 2007: 275). According to Ursin (2011: 22, 36–40) theoretically the main aim of the higher education system is not to continuously change but to maintain the continuity of its operations. Therefore change can be seen as a challenge for universities, as it often takes time and has no guarantee that it will benefit the institution itself. Ursin sees that in order to manage the changes universities face, the university must clearly define its goals and the measures needed to complete the process. This acquires negotiations between the university management and the representatives of different units and negotiations between the university management and the government officials.

### 3.3. Higher education in Finland

The Finnish higher education system is a binary system, which includes two types of higher education institutions: 14 universities and 26 polytechnics (ammattikorkeakoulu). The Finnish parliament forms the basic lines for education and science policy. The Finnish Ministry of Education and Culture is responsible for the development of policies considering higher education. The ministry also works in cooperation with the National Board of Education and is advised by the Board's expert agency. From the 26 polytechnics, 24 are under the steering of the Ministry of Education and Culture, as the Åland University of Applied Sciences belongs to the self-governing Province of Åland and the Police College subordinate to the Ministry of the Interior. Both, universities and polytechnics are regulated by their respective legislation. All Finnish universities are public and therefore subject to the University Act. Two of the 14 universities (Aalto University and Tampere University of Technology) are foundation-based universities and therefore in addition to the University Act subject to the Foundations Act. (Yliopistolaki 558/2009; Ammattikorkeakoululaki 932/2014.)

### 3.3.1. Finnish higher education policy

Higher education policy is a field of policy that breaks borders between traditional policy categories. In Finland the Ministry of Education and Culture and the Research and Innovation Council, chaired by the Prime Minister are responsible of forming policies considering higher education. Higher education policy has been categorised into different policy sectors throughout its history, based on the political atmosphere. In Finland, higher education policy has belonged to sectors including education policy, regional policy, social policy and finally to research, technology and innovation policy. (Pekola, Kivistö & Nokkala 2014: 159.)

The University Act in 1998 changed the way Finnish universities were governed. Universities gained more autonomy by becoming responsible for most of their governance issues. The ministry of Education continued to steer universities, but its control over universities changed from budgetary control to performance-based requirements, bringing them more autonomy, yet more responsibility of their own governance. As a result of the reform the Finnish Government started approving a development plan every four years for the current year and the following five calendar years, considering the development of education and university research within the administrative sector of the Ministry of Education and Culture. (Nokkala 2007: 24–25; Ministry of Education and Culture 2016a.) The development plans are primary documents, as they specify the Government's higher education policy and set the tone for higher education policy for the period they cover (Saarinen 2005: 5–6).

Universities' autonomy was further extended in 2009, when the Finnish Parliament passed the Universities Bill in 16 June 2009. The new University Act (Yliopistolaki 558/2009) separated universities from the State by giving them an independent legal personality, as public corporations or foundations. Also the universities' management and decision-making system was reformed. Some universities were combined to form larger organisations in order to increase efficiency and effectiveness. Universities also became employers of their staff. The key objective of the reform was to facilitate operation in an international environment. The idea was to give universities the ability to re-

act effectively to changes, diversify their funding-base, compete for international research funding, increase cooperation with foreign universities and research institutes, allocate resources to high-level research and specialise in their strategic focus areas, ensure the quality and effectiveness of their research and teaching and strengthen their role within the system of innovation. (Ministry of Education and Culture 2016a.)

The reform directs Finnish universities to compete with each other and strengthen the business-like idea where education and research can be seen as a product offered to customers. The reform has strongly followed international trends, as it aims to improve universities' capacity to operate in the competitive domestic and international market environment. This has also been one of the major goals of the Lisbon Strategy, a development plan devised in 2000 by the EU. (Kohtamäki 2009: 72.)

According to Rekilä (2006: 10–11) the strategy to solve the challenge of increasing productivity and decreasing costs of Finnish higher education is based on the governance-model. Agreements have replaced commanding, responsiveness has replaced authority and the old bureaucratic operation methods have been replaced with modern marketization ideas and entrepreneurial management of public administration. Core changes such as emphasis on effectiveness and efficiency, marketization and a new human resources policy resemble the managerial way of thinking, common especially in the OECD countries. Jauhiainen, Rinne and Tähtinen (2001: 11–13) classify most of the new education policies in Finland as neo-liberalistic, as most of the policies have been adopted from outside the typical welfare state idea. Neoliberalism is an economic doctrine closely associated with the Anglo-American welfare-state model and it is closely connected with the ideas of free market, freedom of choice, individuality, competition, flexibility, autonomy and enterprise. (Rinne 2006: 188.)

Higher education policy aims to build higher education that is appropriate to the current social situation. Policies change according to the prevailing social values, administrative and economic atmosphere and they are closely linked to the other social policy agendas. (Pekkola, Kivistö & Nokkala 2014: 191.) From the late 1960s to the late 1980s the economical situation and internationalisation created pressure to reform universities. Indus-

trialisation of the Finnish society, development of public administration and the new OECD-led science policy shifted the policies towards international trends. Since the 1980s the Finnish higher education system has started to adopt the management doctrine common in other western societies. (Kallio 2014: 64–65; Hölttä 1998: 55–56.)

### 3.3.2. Steering of Finnish higher education

Steering of universities is a method used by the government in the policy implementation process. By steering the government aims to change its higher education policy decisions into concrete action in the higher education institutions. The steering mechanisms used by the government can be classified into legislative steering, financial steering and information steering. Universities are expected to mainly use their core funding to internationalise their operations and as they are own legal bodies the steering directed by the government is therefore largely information steering. The other forms of steering are also present, but not as strongly. (Pekkola, Kivistö & Nokkala 2014: 172–173, 177.) Similarly the OECD has no budgetary or legislative control over its member countries. Therefore, it also uses information steering to influence its member states.

Information steering aims to provide information that will enable the university to organise its services in a better way and more efficiently. Information steering is persuasive instead of binding in nature and its power is based on information, research, recommendations or sharing principles, which are hoped to have a self-directing effect on the operations of the institution. At the same time the government wants to express its goals and support the other forms of steering it might be operating (e.g. legislative steering, financial steering). The aim of information steering is to ensure broad implementation of public policies. (Stenvall & Syväjärvi 2006: 13–17.) The Government uses national statistics as well as a high level expertise in its information steering. The expertise is also supported by an extensive international cooperation and exchange of information within the EU and the United Nations and other transnational organisations such as the OECD. (Melkas 2010: 46.) Universities manage their operations through the steering of the government and their own expertise and autonomy.

The one who has the most information about data, values and solutions is usually seen as the best source for information. Therefore, the steering organisation can increase its steering power based on its expertise and credibility. (Wilskman & Lähteenmäki 2010: 400.) In some extent all forms of steering involve information steering, as the legislative steering and financial steering, also express what is considered important. The steering power of information steering is limited due to its voluntary nature and the absence of penalties or resource based rewards. (Vakkuri, Kivimäki, Mänttari & Kork 2012: 151.) The development of the information society has led to a situation where finding the important data needed for solving problems and making decisions has become difficult as the quantity and access to information has increased drastically. The socio-economic change, which has led to the emergence of complex networks between organisations, creating interdependencies both locally and internationally has also increased complexity. In response to the change in the operating environment information steering has replaced other more binding forms of steering. The increased autonomy creates greater responsibility as the independent decision-making increases. (Jalonen 2008: 1–2.)

Information steering is ambiguous both as a concept and as an operating mechanism, as its content and form changes according to the one defining it. From the vast amount of information, finding the right and relevant information requires expertise from an organisation. Information steering is strongly based on a subjective experience, because different actors always value the same information differently there are various uses for same information. (Jalonen 2008: 8.)

### 3.4. Internationalisation in Finnish higher education

In 1993 due to the economic depression, higher education institutions were encouraged to try and meet all new demands through internationalisation. Internationalisation included promoting the knowledge of foreign cultures and languages, teaching in foreign languages, student and teacher mobility and attracting international students, teachers and researchers. The importance of seeking cooperation in EU-programmes, neighbouring countries and important trade partners such as the United States and Asia and other

affluent countries were emphasised. These objectives to internationalise higher education and participating in Erasmus and other similar mobility programmes brought a need for education to provide students with skills needed in international cooperation. (Nokkala 2007: 26.)

The OECD has played a major role in leading universities into adopting the market-oriented new public management doctrine. Market-oriented universities' aim is to contribute to the improvement of national competitiveness in the global market. This operating culture has been described as academic capitalism. Instead of a classical understanding of science universities, academic capitalism integrates a transnational dimension into universities that enhances transnational integration between universities and globalising knowledge capitalism. It gives universities more possibilities to diversify their external funding sources internationally. As a result, the performance of universities is under increasing political, social and economic pressures. (Kallio 2014: 65; Kauppinen 2012: 554.) Achieving private funding requires strategic decision-making from the universities. Therefore, universities are under pressure to become more specialised and strengthen their individual profile. Greater autonomy gives universities more decision-making power however it also brings a greater influence of external parties and financial responsibility. (Kohtamäki 2009: 72.)

There seems to be a clash between two different ways to view higher education and different understanding what defines public good. The other view sees education as a public service that is regulated by individual governments and the other view sees it as a service that could be organised by any supplier and regulated by global trade rules. The first view also recognises higher education as a public responsibility, rather than a public good. It sees that education has more important tasks outside the marketplace as a part of national culture, which reflects the values of the society and enables access and social mobility. However, it must be taken in consideration that the market for trade in higher education services is growing fast and it is very diverse. There seems to be a belief that there is a market for Finnish expertise in the field of education and as the economical crisis and the tightening competition caused by globalisation have challenged

the country, it is almost impossible to ignore the possibilities offered by the international education market. (Robertson 2006: 152–153.)

#### 3.4.1. Quality and attractiveness

According to Nokkala (2007: 26–27) the quality of education and research and internationalising higher education are intertwined. Internationalisation enhances quality and enhanced quality attracts more international students and researchers into Finland. According to Saarinen (2005: 6–8) the ideas of quality and assessment first appeared in policy documents concerning higher education in the beginning of the 1980s. The idea of measuring and emphasising quality has strengthened during the past decades, as the objectives in the latest policy documents concerning higher education have strongly shifted from quantity to quality.

Massification and the new determination of the higher education system has boosted global competition for “reputation capital” between higher education institutions in the domestic and international field (Rinne 2006: 191). Internationalisation has become a measurement for quality. The Times Higher Education has formed a new ranking system that ranks the top 10 most international universities in the world. The ranking is formed of three specific indicators that form the International Outlook. The proportion of international students at each university, the proportion of international faculty and the proportion of an institution’s research papers that are published with at least one author from another country are the three indicators that are measured. Similar problems that occur in traditional university rankings concern the International Outlook. The indicators mentioned above are relevant in studying the internationalisation of universities. However, they represent only an extremely narrow approach to defining an international university and do not take in consideration all the different activities undertaken by universities in order to become more international and intercultural and therefore, it has extremely limited use. (Knight 2015: 109.)

Forming a profile for individual higher education institutions has become an aim in many countries in order to compare institutions with each other and enhance competi-



tion. However, in some countries (e.g. Germany), universities aim to be very similar with each other, in order to have an even level of quality between universities. Due to the massification of universities, governments have had trouble in financing several multidisciplinary universities. Profiling universities usually aims to highlight the university's reputation, quality and the career opportunities of the graduates in a certain sector of expertise. Building strong profiles for universities makes degrees more competitive and product-like and enhances the significance of management. Strong profiles are believed to increase the attractiveness of degrees, and therefore help universities to access international education markets. In many countries public funding is divided between universities according to academic indicators, therefore universities might be tempted instead of forming an individual profile to start copying the profiles of other successful universities. In order to form a well performing multidisciplinary network of universities with different strong profiles, a regulatory system is usually needed. (Teichler 2002: 139–150.)

The OECD measures the attractiveness of its members' higher education by comparing the numbers of international mobility between the countries. A clear majority, 93% Finnish citizens enrolled in tertiary education abroad study in other OECD countries, whereas only 27.6% of the international tertiary students in Finland come from other OECD countries. Figure 1. Presents the number of international and foreign students enrolled in higher education from a given country of origin as a percentage of all international or foreign students in Finland, based on head counts. (OECD 2014: 357–358.) The volume of student movement from Asia can be explained through the countries' supportive government policies and the expanding middle class that value education (Robertson 2006: 145).

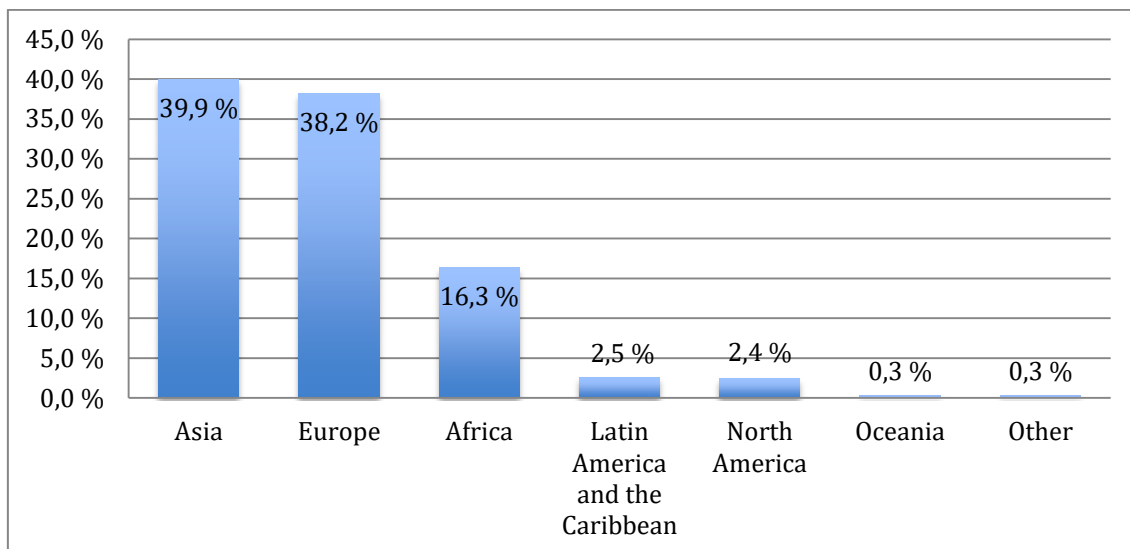


Figure 1. Number of international and foreign students enrolled in higher education (OECD 2014).

Higher education is often considered as an investment, as countries expect the students to work for the economy after graduation. However, graduates might move away from the country after they graduate. The OECD calls this phenomenon “brain drain”. It can occur because of several reasons, but unemployment is one of the most usual problems striving people to move abroad. Especially in Finland mastering the Finnish language is still a common condition for employment in many fields. (Robertson 2006: 147.) International students place a heavy financial burden on the countries offering education for free. For this reason, and due to the economical pressures caused by the situation of the European economy, Denmark and Sweden implemented tuition fees for non-EU and non-EEA international students. This is a clear signal of the changing political atmosphere in Nordic countries, which have traditionally endorsed free education as an important part of the Nordic welfare state. (OECD 2014: 347.)

#### 3.4.2. Marketization of universities

The Finnish higher education system has its roots in the German highly autonomous higher education model, where the main task of universities is to do research and train researchers. Both universities and polytechnics have the task of applied research and

producing innovations. (Tirronen & Kohtamäki 2014: 71–72; Hölttä 2000: 465.) However, during the past decade the Finnish model has among all the other higher education systems in the world started transferring elements from the American market oriented education system. Common characteristics of the American higher education model are tuition fees, patenting research results, entrepreneurship, consulting, research collaboration with private companies, financing operations of companies and enhancing market-based principles in managing, decision-making and steering. (Tirronen 2014: 63–64.)

As part of global change education is traded in various forms like any commercial product. The present trend is to free education through same kind of transnational arrangements as the General Agreement on Trade in Services (GATS) agreement of the World Trade Organisation (WTO), or as in the European Union Draft Constitution, as a service product on the open market. In Finland this requires changes in the legislation, as competition in the field is still restricted. (Rinne 2006: 186.) According to Patomäki (2005: 160–161) when Finland chooses to open up to all transnational agreements, there will be no turning back. He defines three risks that may occur through privatising and commercialising education services. The first risk is that instead of the actual tasks of the universities, irrelevant things start to manage the work and the ability to take risks and think independently is reduced. The second risk is that the new unnecessary systems are created for bureaucratic deliberation, monitoring and control systems. Finally the third risk is that inequality will grow and the working conditions of university staff get worse.

Due to the opening to international education markets, new private and foreign higher education institutions have been able to enter the Finnish market. These institutions are able to charge tuition fees from students. These institutions do not belong to the Finnish higher education system, and therefore are not able to give students Finnish higher education degrees. The new business entries have been enabled by the GATS agreement, which aims to break barriers that are slowing down trade. The GATS agreement covers for example virtual teaching, off-shore campuses, franchising, branch campuses and selling education that leads to a degree. As many Finnish students have been willing to pay for training courses in order to pass entrance examinations of Finnish universities, it is interpreted that students might also be willing to pay for education. It is very likely

that the number of higher education institutions that do not belong to the Finnish education system, will increase. (Ministry of Education and Culture 2013: 20–21.) This will most likely force traditional Finnish universities to rethink their operations.

University rankings have drawn attention in higher education policy-making and have become a measure of national achievement to policy makers. Assessments and rankings increase the competition between countries and individual universities. They also strengthen the capitalist idea on how society should work and enhance the goal of profit pursuing. (Kallo 2010: 26.) According to Kehm (2014: 111) rankings create positional hierarchy between individual universities, which falsify the reality of universities and blur their main purpose. The first rankings were mainly published by active academics, but because of the growing interest towards the statistics, newspapers started publishing rankings in order to increase their sales.

During the past three decades the impacts and political uses of international rankings have grown. Locke (2011: 201) claims that universities, employers, government and the best-qualified and most mobile students regard reputation more important than quality. According to Locke the reputation of a higher education institution is determined by how attractive it is, and therefore how selective it can be when choosing students, researchers and other staff, research funders and cooperation partners. Reputation capital has become important due to the increasing marketization of higher education. Rankings have become policy instrument in evidence-based political decision-making. Governments can even allocate and legitimise funding according to how well universities rank in international comparison. (Kehm 2014: 111.)

Rankings form a deficit transnational model of an ideal university that favours the few universities that always make it to the top. Aspects like quality improvement and diversity of mission are often disregarded in the rankings and therefore the comparison between universities gives a very narrow judgement of the actual operations practiced by the institutions. In order to demonstrate economical competence national governments want to have their higher education institutions performing well in the rankings. Also for national policy makers having internationally top-ranked universities in their coun-

try, symbolises innovative capacity and strength of the country as a whole. (Kehm 2014: 111.)

## 4. METHODOLOGY AND DATA

This section will present the methodology that this research follows and explain how the study will be conducted. The main research objective of the study is to analyse how transnational ideas are present in the internationalisation of higher education policies in Finland and how managers of Finnish universities consider the higher education internationalisation policies. The research methods will be presented in the first paragraph, followed by presentation of the data collection, methods and the structure of the semi-structured interviews. Further, the case organisations that were studied in the research will be presented.

### 4.1. Qualitative data analysis and semi-structured interviews as research methods

Two research methods were chosen for the present study. The first method chosen for the study is called qualitative document study, also known as content analysis and the second method chosen is called focused interviewing also known as semi-structured interviewing. The qualitative research method was chosen, as the research aims to go beyond simple description of event or phenomena and focuses on creating understanding, subjective interpretation and critical analysis. When choosing a research method, it is relevant to question, what kind of information is the research after. When conducting qualitative research, the researcher must record more than just the visible data and therefore, also their own interpretations are valuable for the research results. The role of the researcher is more active than if the study would be of quantitative research design. Researchers using the qualitative research method seek to understand the social interactions and processes in organisations, whereas quantitative researchers aim to predict what might happen in the future. (McNabb 2008: 273.)

Semi-structured interviewing, participatory observation, group interviewing and document and text analysis are examples of typical qualitative methods in collecting data, as they give voice to the research subject (Hirsjärvi, Remes & Sajavaara 2004: 155). In the present qualitative study the research data will be analysed carefully and the research

will be conducted in an open and flexible manner. Two research methods were used in collecting data in order to assure better validity and reliability of the study findings.

Qualitative content analysis was used as the other methodology in the present research. The documents analysed include official Development Plans for Education and Research and Strategy for the Internalisation of Higher Education Institutions, published by the Ministry of Education (Later Ministry of Education and Culture) and Finnish Government Programmes, published by the Finnish Government. All of the analysed documents are publicly available on the Ministry of Education and Culture's website and the Finnish Government's websites. Therefore, it can be assured that these kind of official documents deriving from the government can be seen as authentic and clear and comprehensible for the research. On the other hand, the question whether the documents are biased is important in the research process. The researcher must analyse the documents carefully as caution is necessary in attempting to treat them as depictions of reality. In qualitative content analysis it is necessary to look for themes that will guide the collection of data. (Bryman 2004: 386–387, 393.) In the present research the results that were found through the qualitative content analysis will be applied in structuring the interview questions.

The chosen technique to conduct the interviews follows the qualitative research methodology. Unlike structured or standardised interviews, which belong to the quantitative research methodology, qualitative interviewing is more flexible, responding to the answers given by the interviewees in order to find unexpected information (Bryman 2004: 320). The qualitative interviewing method enables the researcher to switch the order of the interview topics and pose further defined questions in order to clarify and deepen the answers.

There are also some limitations in interviewing. Interviewees may be unwilling to answer all the questions truthfully, as the interviewee might avoid giving for example socially unaccepted answers. Also, the interviewer should be experienced, in order to distinguish all the non-verbal details and to be able to steer the conversation. (Hirsjärvi & Hurme 2008: 34–35.) The interviewing model used in the present research is focused

interview or semi-structured interview. The questions might not follow the structure outlined on the schedule, but all of the questions will be asked and a similar wording will be used with every interviewee. (Bryman 2004: 321.) Selecting the interviewees distinguishes the method of semi-structured qualitative interviewing from most of the other interviewing methods, as the number of interviewees is not relevant to the study. The selected interviewees are previously known to be relevant to the research question and the interviews focus on finding the interviewees subjective view on the chosen topics, which the researcher has analysed in advance. (Hirsjärvi & Hurme 2008: 47–48.)

#### 4.2. Data collection and interview framework

The official documents chosen for the qualitative content analysis were selected based on their significance for the rationales describing policies concerning internationalisation of higher education in Finland. As the aim of the analysis is to draw a current picture of the Finnish higher education internationalisation policies and the transnational ideas they reflect, the selected documents for analysis were published between 2006-2016. The four traditional categories of rationales that motivate governments to internationalise higher education identified by Knight (2004: 21) will be used as a base for categorising the results of the study. The four categories are academic rationales, economical rationales, social and cultural rationales and political rationales. The same categories will be used also in the analysis of the semi-structured interviews.

The semi-structured qualitative interview was constructed on the basis of the research results that arose through the document analysis. Appendix 1 presents the interview questions. Appendix 3 presents the findings of the content analysis, which indicate through Knight's (2004: 21) four themes the similarities between the OECD's recommendations and the Finnish government documents. Fifteen interview questions are drawn from these results and categorised based on the four themes, based on Knight's theory. The potential interviewees were chosen from the management of seven universities in Finland. The interviewees are listed in appendix 2. An email was sent explaining the subject of the study and its key objectives to all potential interviewees. The inter-



viewees included vice rectors, Head of International Affairs and university board chairpersons. The aim was to reach approximately 10 interviews and the interviews were conducted in February and March 2016. Interview meetings via telephone were organised with every interviewee separately and the questions of the semi-structured interview were sent to all respondents in advance.

According to Hirsjärvi and Hurme (2008: 49) the language of the interview and the way the interviews are conducted has a important role in semi-structured interviewing. As the interviews were conducted via telephone, there was no possibility to make observations from body language. However, as telephone interviews can be conducted at any time and place, it might feel safer for the interviewee and they might open up more during the interview. The present research aimed to analyse how the interviewees reacted to the questions. The tone of voice and the attitude that could be heard between the lines was observed, and therefore, interviewing through telephone was preferred rather than conducting a written email questionnaire. The language chosen for the interviews was Finnish, as it is the mother tongue of the majority of the interviewees.

All of the interviews were recorded with a digital recorder. The audio record was transcribed into a text version for analysis, but also a record of the interviewers own observations was taken into account in the study, as a transcription cannot provide a totally objective record of the non-verbal dimensions of the interviews (Mason 1998: 53). The reliability of the interview study is dependent on the quality of the interview. However, the quality of the interview is dependent on how the interview is structured and how well the answers are documented and transcribed. (Hirsjärvi & Hurme 2008: 185.)

#### 4.3. Presentation of the case organisation: Finnish universities

The University Act describes the main tasks universities in Finland have. Universities should promote free research and scientific and artistic education. Educate students to serve Finland and the humankind. Promote lifelong learning. Interact with the surrounding society. Promote the impressiveness of research results and artistic activities. Uni-

versities must guarantee that all of their operations are operated in a way that the research, artistic activities and education is internationally on a high-level, yet following ethical principles and good scientific practice. (Yliopistolaki 558/2009.)

The management in Finnish universities can be divided into two main areas, academic management and administrative management. Academic management concentrates on managing questions concerning research and teaching and the managers are usually persons elected to a position of trust. Figure 2. Illustrates a simplified version of the organisation chart of the University of Vaasa. In Finland the university's rectors, vice rectors, deans and department managers are traditionally appointed for a certain period and have an academic background. The administrative managers of Finnish universities are not required to be academically distinguished. They are responsible for preparing proposals for decision-making considering educational and financial questions and managing the organisation services supporting the main operations of universities (e.g. international affairs, information services, libraries). (Virtanen 2014: 292.)

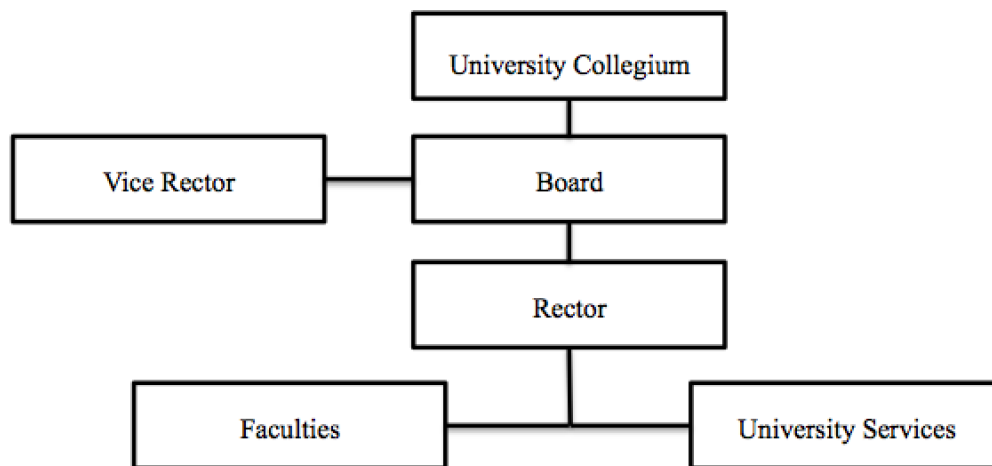


Figure 2. Organisation, University of Vaasa (University of Vaasa 2016).

## 5. TRANSFERRING OECD IDEAS INTO UNIVERSITIES THROUGH NATIONAL HIGHER EDUCATION POLICY

This chapter analyses the OECD's Reviews of Tertiary Education country note for Finland and the Finnish Government's official documents, including documents published by the Ministry of Education and Culture (old Ministry of Education). The section answers to the first research question: *How do OECD's transnational ideas and rationales for internationalisation of higher education institutions appear in Finland's higher education policies?* In qualitative content analysis it is necessary to look for themes that will guide the collection of data (Bryman 2004: 393). Therefore, the analysis studies the content of the documents by dividing the data into four types of rationales to internationalise higher education defined by Knight (2004: 21).

The chapter is divided into three sections. The first sections 5.1. analyses the OECD's recommendations for Finland considering higher education internationalisation, through the final report of Reviews of Tertiary Education country note for Finland, published in 2009. The material for the OECD's review has been gathered in 2005 and the first report of the review was published in 2006. Therefore, the recommendations given by the review team have been available for Finnish policy makers already in 2006. (OECD 2009.) The section 5.2. concentrates on finding whether the OECD had influence on the Finnish government's official documents through the four themes chosen for the study. From the data collected through the qualitative content analysis 15 questions were drawn for the semi-structured interviews, which were divided into themes according to four categories chosen according to Knight's (2004: 21) definition of internationalisation rationales. The results of the interviews will be analysed in the section 5.3, which aims to answer to the second research question: *How do the managers of Finnish universities respond to the higher education internalisation policies conducted by the Finnish government, and to what extent do the managers agree with the transnational ideas?*

### 5.1. OECD's recommendations for Finland

According to the OECD's Reviews of Tertiary Education country note for Finland, Finland faces the challenge of "brain drain" as relatively few foreigners with a higher education background take jobs in Finland and as there is also a challenge to ensure that Finnish students who undertake part of their degree studies abroad return to employment in Finland. The review team recommends that higher education institutions and the government should ensure that the quality, incentives and attractions are prioritised to achieve better results. The review report also states that based on the evidence found in other countries, opening up higher education for larger numbers of international students and recruiting staff more internationally would benefit Finland. The benefits include bringing new talents into the universities and the country, internationalising the higher education community, broadening the experience among staff and facilitating cooperation with research environments abroad. (OECD 2009: 66–67.)

The low mobility and low internationalisation of researchers in Finland can be a threat to the renewal of universities and research. The OECD's review team mentions the low mobility is one of the most serious problems in Finnish Higher Education. (OECD 2009: 42.) According to Nokkala (2007: 26–27) the quality of education and research and internationalising higher education are intertwined. This idea is also visible in the review report, as internationalisation is considered as a tool for achieving better quality in education and research.

According to the OECD review team the international marketing of Finnish higher education should be improved. In order to improve the marketing, universities should build stronger brands and identities. The review team recommends that universities should be marketed as individual "subject specialists", rather than as just multidisciplinary institutions. Marketing a specialised university with certain strengths is easier in the international higher education market, as it is easier to stand out. Small universities might also find it hard to compete for research funds, unless they specialise in a specific study field, which it has special expertise in. However, according to the review team, speciali-

sation does not change the fact that the overall international institutional ranking for small universities may be relatively low, despite the fact that they might receive good rankings in specialist fields. (OECD 2009: 47–48.)

The idea of forming a strong profile and performing well in international rankings can also be described as gaining “reputation capital”, which boosts global competition between universities in the domestic and international field (Rinne 2006: 191). Marketing should be more cooperative between different decision-making agencies and on a regional basis between individual higher education institutions, chambers of commerce and municipalities. The review report also recommends that in order to attract international students and researchers, the bureaucracy considering immigration and work placement policy should be simplified and made more supportive. (OECD 2009: 67–68.)

International comparability and competition are emphasised throughout the report. They are also a result of the imperatives for quality assurance in higher education set by the Bologna process. Finland has a need to increase visibility and competitiveness of its higher education in the international setting and demonstrate universities’ quality internationally. The review team see the Finnish language as a problem for international evaluators, especially in the case of evaluating undergraduate teaching, which usually has Finnish or Swedish as language of instruction instead of English. (OECD 2009: 73–74.) The use of Finnish language in universities and the importance of mastering the language in order to live in Finland, receives also comments in the review report, as it is a factor that makes it difficult for Finnish universities to attract a international students. (OECD 2009: 87.)

The OECD’s Review on Tertiary Education in Finland emphasises that Finland needs more resources for higher education. The commercialisation of research results and educational services is offered as a solution. The report acknowledges that the fact that Finland does not charge tuition fees is in some cases one of the strengths that Finland has in the international context. However, according to the review team tuition fees for international students would provide additional resources to universities. Also, imple-

menting tuition fees could encourage universities to internationalise their operations more. (OECD 2009: 68, 88.)

The Ministry of Education and Culture and Finnish universities should together ensure that all individual institutions have a comprehensive international strategy, which is benchmarked internationally. The content of international strategy should be included into the performance agreements. When reviewing cooperative international agreements, it should be taken in consideration whether the agreements correlate with employment needs and market demand. It should also be ensured that they produce the desired research, educational and market outcomes. The review team also emphasises the possibilities in reforming the design of curriculums. Curriculums could for example include obligatory work placements in Finnish companies and cooperative agreements between Finnish and foreign universities. The review team recommends Finnish universities to carefully review and possibly strengthen the information, support and resources targeted for international students. (OECD 2009: 68–69.)

Finland is dependent upon continued innovation, which is a challenge for a small country. Therefore, a national inwardly focused system of research is inadequate within a context of European funding, global rankings, and international flows of researchers. The review team also notes that the long study times and a limited managerial and steering-power of universities have caused difficulties in Finland. However, Finnish universities have started to shift towards the model of a modern university, with multiple objectives, diversified funding, purposive steering mechanisms and a strong external responsiveness. According to the review team this direction is inevitable. (OECD 2009: 113–114.)

The review team recommends that special actions should be taken considering the admission systems of universities, in order to support the intake of immigrants. The review team also note that the principle of equal treatment may not always be valid. However, the review team also notes that problems in accessing higher education is usually caused by the lack of guidance in earlier levels of education and developing these levels might support the wider participation of immigrants. The review report also encourages

schools to concentrate more on career guidance and counselling and the marketing of higher education. The review team also criticises the present entrance examination system in Finnish universities. The review team recommends universities to promote “fair access” for less represented groups of students. (OECD 2009: 36–37.)

## 5.2. Internationalisation rationales in government documents

The OECD’s Reviews of Tertiary Education country note for Finland states as the very first recommendation for Finland that a series of actions need to be taken in order to advance the international agenda in Finland (OECD 2009: 66). The Development Plan on Education and Research in 2007-2012, created based on the Government Programme of Matti Vanhanen’s second cabinet, emphasises strongly the importance of internationalisation of education. Globalisation is mentioned as an opportunity to promote national and international well-being. (Ministry of Education 2008.) The development plan on Education and Research in 2011-2016, created based on the Government Programme of Jyrki Katainen’s government, aims to take further the operations to internationalise higher education (Government Programme 2011; Ministry of Education 2012; OECD 2009).

According to Kallo (2006: 282–284) the OECD impacts national policies by first giving them strategic consultation and offering global solutions, which by asking questions and interpreting weak signals aims to give the country a need to improve something by implementing the solutions offered by the OECD. After the country has adopted the ideas and solutions, OECD uses “peer pressure”, which is directed to countries through OECD’s international peer reviews. The Development Plan on Education and Research in 2011-2016 uses OECD’s statistics to legitimise the need to take further the operations described in the Development Plan on Education and Research in 2007-2012. The OECD’s statistics are used as reference to legitimise actions that are originally suggested by the OECD itself. (Ministry of Education 2008; Ministry of Education 2012; OECD 2009.) According to Mahon and McBride (2008: 6–7), especially in advanced capitalist countries policy transfer takes the form of policy learning, which shapes and

translates the ideas behind the policies and program models to different settings, taking in consideration the local interests. OECD helps governments to learn how to be modern states that share an understanding of the best practices. This creates the idea that policies are originally invented in the member countries and that the OECD only gives the data that proves them correct.

The Government Programme of Prime Minister Juha Sipilä's government also emphasises the importance of internationalisation of higher education. The Government Programme states that because of Finland's difficult economic situation and the growing debt, the government must implement cuts to public expenditures, which also consider education and research. The government sees that expertise has not been converted into innovations and innovations have not been commercialised and therefore, Finland is losing its expertise-based competitive edge. (Government Programme 2015: 8, 13–14.) The ideological cornerstone behind the cuts is to emphasise the efficient use of resources, as savings will force organisations to innovate, cooperate and give up unnecessary functions.

Based on one of the key projects of Juha Sipilä's Government Programme the Ministry of Education and Culture published an Export of Education Roadmap for 2016-2019, which aims to remove obstacles and boost the export of education (Government Programme 2015: 18; Ministry of Education and Culture 2016b). This market-oriented higher education policy follows the transnational trends and aims to contribute to the improvement of national competitiveness in the global market. The OECD has played a major role in leading universities into adopting the market-oriented new public management doctrine. (Kallio 2014: 65; Kauppinen 2012: 554.)

Even though the Ministry of Education and Culture will offer guidance and strategic funding, the managers of universities are in a central role in implementing the structural reforms, as they have the responsibility in governing universities. The university reform (Yliopistolaki 558/2009) shifted the decision-making power from university professors to university boards, and the rectors appointed by the boards. Therefore, the present thesis answers to very current topics. (See Section 3.3.1.).



### 5.2.1. Academic rationales

In accordance with the OECD's recommendation the Government Programme of Prime Minister Matti Vanhanen's second cabinet and the Development Plan for Education and research in 2007-2012 state that a national strategy for the internationalisation of Finnish higher education institutions will be devised (Government Programme 2007: 28). The Ministry of Education will prepare the strategy together with universities, polytechnics and stakeholders with the aim to develop an internationally strong and attractive higher education and science community to Finland (Ministry of Education 2008: 44).

The Development Plan for Education and Research in 2007-2012 names as priorities of higher education institutions student, teacher and researcher mobility, international research and development projects and the development of joint and double qualifications. The aim is to further increase the number of foreign students and staff in Finnish universities and special investments are targeted to expand the recruitment base for researchers. The Strategy for the Internationalisation of Finnish higher education institutions 2009-2015 states that universities will incorporate a module supporting internationalisation into all degrees. These aims are in line with the OECD's recommendations. However, the development plan does not highlight the problems considering the weather and location, mentioned in the OECD's report, but instead the plan describes Finland as an attractive destination for student exchange in higher education. (Ministry of Education 2008: 43; Ministry of Education 2009: 31; OECD 2009.) According to the Development Plan for Education and Research 2011-2016, the measures taken through the university degree reform has been inadequate as there has been no great increase in international mobility statistics conducted by the OECD (Ministry of Education 2012: 45).

The OECD's recommendations emphasises the importance of cooperation in order to better utilise resources (OECD 2009: 103). The development plan for Education and Research in 2007-2012 and the Strategy for the Internationalisation also see international cooperation as a tool to improve the utilisation of resources and states that

Finland will take an active part in developing European research and innovation cooperation. According to the two documents, universities should better utilise the opportunities provided by international organisations, projects and cooperation arrangements. As benefits of close international cooperation, both documents mention savings in expensive research infrastructures, which are essential for top quality research. (Ministry of Education 2008: 45; Ministry of Education 2009: 37.)

The Development Plan for Education and Research in 2011-2016 compares Finland's investments in research infrastructures with investments of cooperation and competitor countries. As Finland has made substantially smaller investment, the importance of the first research infrastructures road map in 2009 is emphasised, which includes proposals for establishing new research infrastructures. International success and effective cooperation with the leading research countries requires that local, regional and national research infrastructures are maintained and developed to be high quality and competitive and that Finland can access to world-class infrastructures administered by others. (Ministry of Education 2012: 48.)

### 5.2.2. Economical rationales

The Development Plan for Education and Research in 2007-2012 and the Strategy for the Internationalisation describe internationalisation of higher education as a factor that in many ways enhances the quality of education and research. High quality is also seen as a competitive advantage when aiming to increase the international appeal of Finnish education and research. Like Nokkala (2007: 26–27) explains, internationalisation and quality are intertwined, as internationalisation is seen as an important factor in forming quality, and better quality is believed to increase internationalisation. The OECD's ideas of the benefits of internationalisation are in line with the Finnish policy documents (OECD 2009: 66–67). The Development Plan in 2011-2016 states that in order to safeguard quality internationalisation in Finnish universities should be stronger (Ministry of Education 2012: 49). The Export of Education Roadmap for 2016-2019 states that Finnish high quality education and research expertise will be incorporated into the brand building of Finland (Ministry of Education and Culture 2016b: 5). Cooperation is

needed especially with the leading research countries and emerging economies. Finland should contribute to the aim of the Europe 2020 strategy to strengthen education, research and innovation in Europe. (Ministry of Education 2012: 49.)

The OECD first recommended the collection of tuition fees from students in 1995. The idea was quickly rejected in Finland, as free education was seen as one of the most important elements of the welfare state. (Rinne 2006: 203–204.) Regardless of Finland's attitude towards tuition fees the OECD has continued to recommend them. The Government Programme of Matti Vanhanen's second cabinet describes the availability of high-quality, free education as the cornerstones of our welfare society and promises that the government will secure equal opportunities for quality education from early childhood to university education. However, this is the first government programme, which has truly started to consider tuition fees. (Government Programme 2007: 26.) In the OECD's Reviews of Tertiary Education country note for Finland the review team suggests that tuition fees at least for international students should be implemented in Finland (OECD 2009: 68).

The Development Plan for Education and Research in 2007-2012 in accordance with the OECD's recommendations proposes an experiment, where tuition fees are collected from students coming from outside the EU and EEA, who are chosen to international second-cycle study programmes leading to a higher education degree. The Development Plan states that the option will be analysed based on criteria that will evaluate the pilot projects success and after this it can be decided whether the collection of tuition fees should be continued or stopped. (Ministry of Education 2008: 44.) The Strategy for the Internationalisation does not mention tuition fees, but the Government Programme of 2015 states that tuition fees will be introduced for non-EU and non-EEA students from 2017 (Ministry of Education 2009; Government Programme 2015: 41). The Export of Education Roadmap for 2016-2019 states that tuition fees for non-EU and non-EEA students will offer Finnish universities the ability to expand their traditional educational role in foreign-language degree programs. The OECD's recommendations have had an effect on this policy, even though it has not succeeded to set the agenda immediately

into the Finnish policy-making, it has had an impact that through repetition and peer pressure has slowly changed the attitudes of policy-makers. (Kallo 2006: 285.)

The OECD's Reviews of Tertiary Education country note for Finland recommends that Finnish universities should have stronger brands and identities (OECD 2009: 47–48). In the Development Plan for Education and Research in 2007-2012 higher education institutions are expected to build distinct profiles in terms of teaching, research, links with working life and regional development. The profiles will be clearly defined in target and performance negotiations. This will facilitate the targeting of research funding and competition for international research funding. Like stated in the theory part of the present research, when public funding is divided to universities based on academic indicators, universities might be tempted instead of forming an individual profile start copying the profiles of other successful universities. Therefore a regulatory system is needed in order to form a well performing multidisciplinary network of universities. (Teichler 2002: 150.) The Export of Education Roadmap for 2016-2019 states that Finnish education exporters' cooperation and mutual product and service delivery will be strengthened, also between private companies and universities (Ministry of Education and Culture 2016b: 6).

In order to build stronger brands and identities the Development Plan for Education and Research in 2007-2012 lists actions that will combine certain universities into alliances (e.g. Aalto University, University of Eastern Finland). It also encourages other higher education institutions to start structural development projects. (Ministry of Education 2008: 34.) Universities are expected to build competitive and attractive study programmes within their areas of expertise, which interest students nationally, internationally and which can at some point be exported. Therefore, necessary measures will be taken to facilitate tailor-made education targeted abroad. (Ministry of Education 2008: 44.) Export of education requires changes in the legislation, as competition in the field is still restricted in Finland (Rinne 2006: 186). The Government Programme in 2015 states as its objective that all obstacles to education exports have to be removed (Government Programme 2015: 18). According to the OECD recommendations Finland has a need to increase visibility and competitiveness by demonstrating universities' quality

internationally. Therefore the Strategy for the Internationalisation states that recommendations for cross-border quality provision for Finnish actors were drawn on the basis of the UNESCO and OECD guidelines. (Ministry of Education 2009: 43.)

The Development Plan on Education and Research in 2011-2016 underlines the need to truly strengthen the brands and identities of universities in the same way as the OECD's recommendations have suggested. The development plan states that the measures taken during the previous development plan were not effective enough and therefore, the financing model of universities will be developed in order to encourage higher education institutions to cooperate and start division of work. The development plan sees the higher education network and the research system as too fragmented and not taking in considerations the needs of the labour market. The development plan has been affected by peer pressure as it mentions that several domestic and international evaluations have pointed out shortcomings and development needs in the Finnish research system. (Ministry of Education 2012: 43–46; OECD 2009.)

The Government Programme of Juha Sipilä's Government through its discourse resembles in many ways the ideas of the market-oriented new public management doctrine and academic capitalism, traditionally supported by the OECD (Kallio 2014: 65; Kauppinen 2012: 554). The Government Programme lists that cooperation between higher education institutions and business life will be strengthened, the effectiveness and commercialisation of research results will be taken into account in the steering of public research, development and innovation funding, the profiles and respective responsibilities of higher education institutions will be sharpened and cooperation between them will be increased and knowledge and expertise will be combined in competitive centres of excellence. (Government Programme 2015: 19–20.)

### 5.2.3. Social and cultural rationales

Even though the Development Plan for Education and Research in 2007-2012 does not name the Finnish language as a problem when aiming to attract foreign students and researchers to Finland, it acknowledges that there are challenges in language teaching in

higher education. The Development Plan emphasises the importance of providing students and staff with sufficient linguistic skills for international cooperation in studies and working life. Foreign students coming to Finland must be provided with a sufficient amount of Finnish and Swedish studies to enable them to stay in Finland after graduation and get employment. (Ministry of Education 2008: 44.) This indicates that the aim is to prepare international students for life after graduation by teaching Finnish, but at the same time Finnish universities are encouraged to concentrate on developing teaching in English. The Development Plan in 2011-2016 states that the supply of education with international elements will be increased in Finland and high-standard and attractive programmes geared to foreign students will be linked to the priority areas of the higher education institutions (Ministry of Education 2012: 49).

The OECD's Reviews of Tertiary Education country note for Finland introduces a term of "brain drain", which refers to the problem of more people with higher education degrees moving out of than into Finland. The review states that brain drain may be directly related to the weak internationalisation of Finnish higher education and research. Brain drain is also referred to in the Strategy for the Internationalisation as a problem of Finland. The Strategy refers directly to the OECD's thematic review and emphasises that Finland is among the minority of OECD countries suffering from brain drain. (Ministry of Education 2009: 14; OECD 2009: 42.) For example the United States, which like Finland also has foreign students largely from Asia, manages to get foreign students to stay in the country after graduation. According to research, less than 50 per cent of Chinese students studying abroad return to China. Therefore there is a reason to question why Finland does not manage to hold on to the people it has educated. (Robertson 2006: 147.)

Juha Sipilä's Government Programme also emphasises the importance to encourage international student who have completed their studies in Finland to stay and work in Finland, for example with a tax deduction. The Export of Education Roadmap for 2016-2019 states, that there is also a need to improve foreign students' residence and work permit practices. The Government Programme notes that more young people are leaving

Finland to study abroad, and therefore Finland has to compete for its own youth as well. (Government Programme 2015: 40–41; Ministry of Education and Culture 2016b: 2.)

#### 5.2.4. Political rationales

The Development Plan for Education and Research in 2007-2012 names the European Union as the key framework for Finland's international operations. It encourages Finnish organisations to be more active as regards the EU's research and innovation policy and the research carried out within the EU. The development plan emphasises the fact that Finland is a member of key international research organisations and that a strategic objective in the internationalisation research is to support Finland's development and competitiveness and responsibility for solving global problems and challenges. This statement seems to answer to the OECD's concern that the Finnish system of research might be nationally inwardly focused and not adequate within a context of European funding, global rankings, and international flows of researchers. (Ministry of Education 2008: 45; OECD 2009: 113–114.) The Strategy for Internationalisation states that international comparisons and rankings have great significance for educational and science policies. They affect the reputation capital of universities in different countries internationally. However, the strategy also acknowledges that influential ranking lists are also seen as deficient in many respects. (Ministry of Education 2009: 21.)

The Government Programme in 2015 states that Finland can provide solutions to the world's problems, such as global economic growth, internationalisation, free trade and technological development (Government Programme 2015: 9). Globalisation and therefore social multiculturalism has increased the importance of mastering multicultural skills. The Government Programme notes that integration and employment of immigrants can be promoted through education. (Government Programme 2007: 26; Ministry of Education 2008: 46.) In accordance with the Government Programme the OECD recommends that special actions should be taken in order to support the intake of immigrants. OECD also emphasises that the principle of equal treatment in student admissions may not always be valid. (OECD 2009: 36–37.)

The development plan on Education and Research in 2011-2016 states that cooperation with other countries will enable Finland to develop learning and competencies globally (Ministry of Education 2012: 28). OECD considers Finland as a model student, as Finland has taken all recommendations suggested by the organisation always seriously (Niukko 2006: 300). Finland has also aimed to develop its education policies in a way that is supported by the OECD. The OECD is often described as a transnational organisation, which promotes neo-liberalistic economic policy. These views reflect a different ideology than the traditional Nordic welfare state ideology does. However, the OECD's education policies have always included a strong idea of equality and therefore, the OECD's ideas concerning education have received relatively little criticism in Finland. (Rinne 2006: 200–204.)

### 5.3. Internationalisation of universities from the perspective of university managers

This section presents the analysis of the semi-structured qualitative interviews. Each theme is analysed in a separate sub-chapter. Extracts from the interviews will be included in order to further describe the interviewees' ideas on the matters. The interview themes and questions are presented in appendix 1.

#### 5.3.1. Academic perspective

Academic rationales motivate both governments and individual higher education institutions to internationalise their operations. The main aim is to emphasise the international dimension in research and teaching, broadening the academic horizon, ensuring the status and profile of individual universities, developing the quality and enhancing significance of international academic standards. (Jane Knight 2004: 21; Nokkala 2014: 131–132.)

Internationalisation is seen as an essential part of the operations of Universities among all the interviewees. A clear majority summed up the importance of internationalisation to one word; quality. Most of the respondents noted that all research needs an interna-



tional benchmark and therefore, internationalisation is extremely important, as Finnish universities cannot operate credibly on their own, closed up from the world. A truly international higher education community was seen as, bringing broader views to the classroom as well as research.

*“Internationalisation is a way of ensuring the quality of the university and the development of quality. When we are an interesting research partner, an interesting exchange partner and interesting, like, educational partner, then we have quality in place. And we should look at the ones that are a bit better than us. Internationalisation is a means to develop the quality of our operations, to ensure quality. Improving quality has been the most important driver that we here have kept in mind .”*

Some of the interviewees also pointed out that as the world has become more open and companies are more international than ever before, universities are expected to produce students with international skills. Universities face broad expectations from the society and it might be hard for them to meet all the expectations as the difficult economical situation in Finland has restricted the resources of universities. The interviewees mentioned the lack of resources often throughout the interviews.

*“Well, it can be challenging to meet the customer's... I mean, the society's expectations. In Finland meaning, as we are mainly publicly funded, the taxpayers' expectations. So that our operations and the people graduating from our university would have these skills. It doesn't happen that easily. There is lot that has to be done, if you want all students to complete some sort of international component, whether it is a half-year exchange or something equivalent. So it is a pretty big effort and it is getting better but it requires work and it is expensive.”*

The increasing competition caused by globalisation was also mentioned as a challenge to universities by several interviewees.

*“One of the challenges is that the competition for the best brains, students as well as researchers is increasing. It requires actions from the university and requires new kinds of services and making oneself visible internationally in a quite different way than before.”*

The attitudes towards the steering of the Ministry of Education and Culture vary. The results show that, according to the interviewees the Ministry has been guiding the uni-

versities towards internationalisation in a successful way, but during the past years the interviewees noted a lack of coordination in the steering. However, some of the interviewees expressed that internationalisation has already strongly rooted in universities and one of the respondents noted that some of the steering projects organised by the Ministry of Education and Culture create more administrative work to the university staff, which disturbs the core task of universities. It was also seen that universities are capable to steer their internationalisation operations more independently. However, most of the interviewees expected more coordination and strategic steering from the Ministry of Education and Culture. Also the emphasis on internationalisation and the indicators used to measure it were criticised by several interviewees.

*“Unfortunately, even in this field “with money one gets, with a horse one goes”. And let's say that the universities core funding model includes some internationalisation, but if their emphasis is like one percent or two percents, well it doesn't really strategically steer. Of course, knowing the situation in Finland... so its kind of understandable.”*

According to Knight (2015: 108) it is difficult to set appropriate indicators for measuring internationalisation of universities, as the transformative process of internationalisation gets easily ignored if only outcome indicators are used. Universities understand the fact that Finland is in a difficult economical situation. The interviewees admitted that the restricting of resources forces universities to actively look for any possible additional funding from all possible sources. However, most of the interviewees did not consider the core-funding model strategically encouraging and the majority of the interviewees noted that universities find it extremely difficult to try and develop their products and enhance competitiveness while resources are diminishing. Throughout the interviews the interviewees compared the budget of Finnish universities to other universities in the world and stated that quality and international competitiveness can be achieved with sufficient resources and strategic coordination.

*“The problem in the steering has been the fact that, the Ministry hasn't been able to react and recognise so quickly the problems related to internationalisation even though they have certainly been informed. Only just now, the regulatory obstacles that have prevented our internationalisation are being removed.”*

The Ministry of Education and Culture's steering considering academic mobility is highly respected. Mobility is considered as very important to universities. The current sufficient state of student mobility is mostly regarded as a result of the Ministry's active steering. However, according to several interviewees the level of mobility depends a lot on the field of study and some of the managers hoped that the mobility continues to increase. The mobility of teachers and researchers is relatively low in Finland. Universities find it challenging to encourage teachers and researchers to spend even short periods abroad, even though it would be essential for their academic development and gaining specialised expertise. However, two of the interviewees pointed out that the indicators measuring researcher mobility cause a statistical error as they only measure the time spent abroad. Universities also have different cooperation projects and research cooperation, which is not measured by the Ministry of Education and Culture, and therefore not taken in consideration in the university's academic mobility activity and core funding. Half of the interviewees expressed that competing for the best international teachers is challenging, as the income level of professors and lecturers is lower in Finland than it is in the best universities internationally.

*“However, I dare argue that researchers’ international networking and cooperation has significantly increased, and partly, in the case of researchers there is a statistical bias.”*

*“We need top professors and then the question of course is what are we able to offer. Financially we cannot compete with those many other top universities, but we have to aim to develop other benefits that we can offer.”*

*“Well, there could be even more mobility. It is pretty good at the moment and we have particularly profiled our university as a university, which publishes a lot of international joint publications... Really, the cuts to our core funding weakens our ability to recruit people from abroad or send our researchers abroad”...  
“Students seem to utilise these exchange programs. So the higher the career ladder you go the lower the mobility gets.”*

In order to benefit from internationalisation, universities must develop their operations on various quarters. Internationalisation requires cooperation in order to save resources and to form connections that bring high quality research and new perspectives to Finland. Cooperation with foreign universities and accessing international research in-

frastructures is an important way to utilise resources and ensure high quality research. Half of the interviewees expressed that the university they represented should aim to access international research infrastructures more actively.

*“Of course it generates these international joint publications when you are together involved in such infrastructures. And it means that we can produce high-quality work with top quality devices without the need to pay or buy them ourselves. This is a pretty positive thing for us and it will be enhanced.”*

Especially in fields like technology and medicine, which require expensive infrastructures, cooperation and joining in international research infrastructures bring new possibilities for research and development. However, one of the interviewees stated that international research infrastructures could benefit fields, which do not necessarily require any devices to operate and therefore have not accessed larger networks. International networks are still relatively poorly known among some fields of study. One of the interviewees noted that the distant location of Finland might be challenging for cooperation, as Finland has no quick train access to central Europe, where most of the research infrastructures are located.

*“It must be said, that just this sort of physical distance makes it a little more challenging. They in Europe just take a train somewhere and go back in the evening. We have to travel throughout the day and stay overnight.”*

*“We have probably got such fields where this kind of cooperation is less common and if this use of infrastructures systematically institutionalises. I'm prepared to say that we need more of this kind of supervised use of infrastructures and learning to use infrastructures that happens on an institutional level. All fields of science in Finland might not have enough knowledge of what kinds of joint European or international infrastructures could be used and how they can be accessed.”*

One of the interviewees also pointed out that the better research infrastructures Finland has the more attractive it is in the international competition for students and researchers. High quality well-maintained libraries and laboratories are important, so that universities are able to create a credible profile and therefore, national research infrastructures should also be developed.

### 5.3.2. Economical perspective

Economical rationales concentrate on economic growth, ensuring competitiveness and securing functional labour markets. Higher education institutions aim to gain financial profit through international operations in order to finance their operations and develop their products. (Jane Knight 2004: 21; Nokkala 2014: 131–132.)

Tuition fees for students coming from outside the EU and EEA are believed to have mostly a good impact on the higher education system. Majority of the interviewees mentioned that, tuition fees will force universities to create products that are well developed and high in quality. Universities will have to improve their marketing in order to attract the most motivated students who are ready to pay for their studies. Motivated students, who choose their study place according to the curriculum and the quality of education instead of choosing the university based on the fact that it is free of charge, are considered as “better students” for universities, as these students are motivated to come and study in Finland regardless of the fees.

*“The supply that we offer to foreign applicants need to be such that we are able to stand out. It must be so competitive in content, in quality of teaching, in quality of research, so that people, the applicants are willing to, they want to come here anyway. So that we don’t offer the same what everyone else offers or something bulk.”*

Nearly all of the interviewees expect that the number of applicant will decrease due to the tuition fees. The interviewees compared Finnish universities to universities in other Nordic countries and therefore, tuition fees are believed to have the same effects as they have had in Sweden and Denmark. However, as the courses and marketing are developed, it is believed that universities start gaining the needed reputation capital and the number of applicants might even increase over time.

*“I think that the same will happen to us, what has happened in the neighbor Nordic countries, Denmark and Sweden. The number of applicants drops drastically, almost collapses. But on the other hand, the result won’t that much, because we will get the good candidates anyway.”*

*“In Sweden they have experienced, that they have started to receive applicants that are better than before, from EU countries. So in some way, the tuition fees made it visible that "aha here they have this good programme and it is expensive, but aha! I do not have to pay for it." Something like this has happened.”*

According to one of the interviewees the reason why Finnish universities find it hard to predict how tuition fees will impact universities is the fact that universities have no real experience of them. When the government proposed the tuition fee pilot in 2007 (Government Programme 2007) the legislation was still too stiff in order to truthfully enable the experiment. There is a lot of uncertainty connected to the implementation of the tuition fees and the scholarship system. The interviewees found it difficult to predict the future as the long term aims of the Ministry of Education and Culture were considered vague and therefore, most of the interviewees mentioned that it will be interesting to see where Finnish higher education will be in the future.

*“The debate over these tuition fees for example; the pilot was difficult, because the legislation was such that it did not genuinely give the opportunity for universities to develop the rational use of tuition fees.”*

According to the OECD, tuition fees for international students would provide additional resources to universities and encourage them to internationalise their operations more (OECD 2009: 68, 88). Unlike the OECD, none of the ten interviewees believed that the implementation of tuition fees would bring more resources to universities any time soon, if ever. Building a working scholarship system will be expensive and most likely require more resources than the tuition fees will produce. Some of the interviewees also pointed out that the university should not aim to make profit with tuition fees, but the idea behind them should rather be that they encourage universities to develop the study programmes and ensure the motivation of the international students coming to study in Finland.

*“Most likely, the money collected through tuition fees will in no way improve the financial situation of universities, probably never will. It will most likely be used for the construction of a scholarship system. It will never be a money-maker for us. And hopefully, this way we can ensure that some talented person, who cannot afford to pay can be admitted.”*

*“It can’t be a way to fund the activities of the university, but it has to be attractive enough for students. And in general, regardless of whether we are talking about students coming from outside Europe or whether we are talking about our Finnish students, who are making the choice in Finland.”*

According to Kallo (2010: 26) the increasing competition between countries and individual universities strengthen the capitalist idea on how society should work and enhance the goal of profit pursuing. Finland’s latest Government Programme (2015: 19–20) states that cooperation between higher education institutions and business life will be strengthened, the effectiveness and commercialisation of research results will be taken into account in the steering of public research, development and innovation funding and knowledge and expertise will be combined in competitive centres of excellence. The Government Programme also states as its objective that all obstacles to education exports have to be removed. Half of the interviewees did not consider commercialisation of research results as the task of universities.

*“I think totally differently about the things that the Ministry criticises us about and how they expects that universities should be doing it. No, universities should not be doing it! The task of universities is to do research and then the commercialisation input and commercialisation enthusiasm should come from commercial actors. It is not the university that should be commercialising, commercialisation should happen in the interface, where there are more commercial actors than in universities. These innovation platforms and innovation interfaces should be classified as commercial activity, where the university just gives the output of good ideas and good studies.”*

*“The basic premise is that universities do research and companies commercialise, and these two roles should not be confused, that’s the first thing. The world has only probably about one handfull of universities that are making money by commercialising and the others don’t. And that’s like the reality which should be understood.”*

*“My opinion is that at the point where it is placed as a condition for funding. So if you have to produce a certain amount of commercialisable research in order to get a certain amount of funding. The outcome becomes short sighted, rushed and it is not done properly, it’s not genuine academic research. It is then something else. I think that universities are the only fortresses in this country, which defend the fact that research can lead to wherever so that the outcomes haven’t been predetermined. And I would like to hold on to that. Because in the end, that is the prerequisite for success.”*

Commercialisation of research results requires resources and expertise from universities. Two of the interviewees mentioned that finding cooperation partners with companies is not as simple in Finland than it is in many other countries. In Finland there is no real tradition of donating money to universities, because companies and individuals think that they already support research through paying tax. Gaining private funding is also more challenging for some fields of study as the donation traditions vary strongly.

*“The problem is that in Finland higher education is still seen strongly as a public good, and therefore many companies are not willing and ready to finance education and research. Not at all in the same sense as in some comparable countries, because it is thought that it is already paid in taxes.”*

The overall attitude towards the commercialisation of research results among the interviewees was positive. Interviewees emphasised that it is something that requires learning and resources. Utilising findings is considered important as it makes research influential creating visibility for Finland as a country of high quality academic research. However there are two opposite views on who should be doing the commercialisation and how it is emphasised by the government. Whether universities should take the responsibility of commercialising research results or should companies take the responsibility of doing it.

*“I believe that there is positive development happening there, once again. Also the development of these measures requires resources that are now declining. And on the other hand we must focus on the results of teaching and research that are in the core-funding model. It is really challenging to take resources from those operations. But yes, we are going to do so.”*

Because of the barriers caused by legislation, Finnish higher education institutions have relatively little or no experience of higher education export. Finland has also been relatively unsuccessful in marketing products and services internationally and therefore the institutions are forced to start a comprehensive learning process. Half of the interviewees predicted that it would take a very long time before universities in Finland learn how to operate in the international higher education market. However, several mentioned that they believe Finnish universities have a chance to become successful at some



point. Due to the cuts in universities' core funding and the change in tuition fee policy, education export has become a current topic in all universities.

*“It is obvious that countries such as Great Britain or New Zealand or Australia, they have a huge competitive advantage in the education market, as they are all English-speaking countries. But our good reputation and the perception of the quality of Finnish expertise are important assets. The own areas where universities can specialise and be successful should just be distinguished. And the problem is surely that this kind of stuff progresses slowly, it requires a lot of work before the first deals will be made and then it maybe becomes a little bit easier. We don't have a very long tradition here. Operating on the international education market is a pretty new activity.”*

Some interviewees also mentioned that as Finnish universities have never entered the international higher education markets, there might be an illusion that Finnish universities are better in quality than they really are. The fact that Finland has been successful in the OECD's PISA comparison does not yet guarantee that Finnish higher education is the best in the world. Few of the interviewees had experience from universities in the United States and the United Kingdom, which are one of the most successful countries in the international higher education market. Some of them noted that, based on their experience the quality of education and the way higher education is organised is better in these countries than in Finland. It is also noted that the budgets of these universities are many times higher than the budgets of Finnish universities.

*“If you mean that; whether we are attractive, so that would someone buy education from us. I wouldn't be that sure yet, because of those same reasons I mentioned before, I mean we don't have any concept yet.”*

The development plan on Education and Research in 2011-2016 underlines the need to truly strengthen the brands and identities of universities (Ministry of Education 2012: 43–46). The government wants universities to gain reputation capital, which boosts global competition between higher education institutions in the domestic and international field (Rinne 2006: 191). Profiling is a difficult task for universities, as it requires drastic structural changes and the decisions are in many cases irreversible. The conversation about profiling and building a brand for universities has been going on for a long time in Finland and it is influenced by the political atmosphere and regional policies.

*“This question of whether universities should draw a clearer profile or how. During this spring we will definitely see quite many things, where you can ask who has actually been doing the profiling and on what grounds. I hope that universities are allowed to hold on to their independent decision-making power, however, in such way that the Ministry is in control of the bigger picture and has the understanding on how to communicate about it.”*

Building a successful profile requires cooperation with other universities, in order for the university network to function well together. Universities are responsible for their profiles and therefore the pressure set by the government to create a profile is considered distressing by most of the interviewees. There are also different views on how a profile is considered. Some interviewees expressed that the university they represent aims to profile itself as a multidisciplinary university and therefore finds it hard to specialise in just certain fields of study. Some considered profiling as specialising in only few specific areas of study. The interviewees were aware of the aims that the government has for universities’ structural reconstructions and opinions about the policies of the government ranged sharply. The government’s financial steering through cuts to the core-funding forces universities to start forming a more specialised selection of subjects. Some of the interviewees considered the steering as a hit towards the autonomy and academic freedom of universities, as it questions the importance of some fields of science and forces universities to modify their operations.

*“This is a bit of a top-driven mantra, which I do not believe in myself. As one of my colleagues said yesterday that the universities have already been profiled, a thousand years. So, yes universities assess their operations all the time. Some fields disappear and give way to new ones.”*

Some interviewees considered the governments steering, which forces universities to specialise their operations inevitable. Teichler (2002: 150) argues that regulatory system is needed in order to form a well performing network of universities. The need to form clearer profiles for universities is justified with the need to enhance the competitiveness of universities and saving resources. However, some interviewees were concerned that rushed profiling may endanger the national competition between universities. Comparison between universities nationally is considered important because when universities

challenge each other it improves quality and prepares universities for the international competition.

*“If I would be given dictatorial powers, I would form higher education institutions, which are more similar with each other and they would comprehensively cover all fields of science and then I would let them compete with each other and kick each other on the ass.”*

Profiling universities usually aims to highlight the individual university's reputation, quality and the career opportunities of the graduates in a certain sector of expertise (Teichler 2002: 139–150). Quality is seen as an important part of the overall image of universities as it is one of the aspects creating reputation capital, which is essential when seeking for cooperation and operating in the international education market. The ministry of Education and Culture aims to incorporate Finnish high quality education and research expertise into the brand building of Finland (Ministry of Education and Culture 2016b: 5). The international marketing of quality is a complex process. Quality has to be measured according to certain indicators, which are also recognised internationally. The good results should be made visible and it must cover all of the universities' operations.

Presenting quality becomes extremely important when a price is put on education. When start paying for educational services, they truly become customers who are paying for the product (degree) and the service (teaching). The importance of serving what is promised grows. Quality must be guaranteed and it has to cover the whole system. The interviewees noted that it is essential to be aware of quality provisions internationally especially when building for example double degrees with other universities. The standard of quality has to be carefully analysed also in the university of the contract partner. Transnational organisations have created guidelines for ensuring quality, which are used to form border crossing quality standards. In Finland these guidelines are incorporated to universities' own quality ensuring systems. Most of the interviewees mentioned that the content of transnational guidelines have already been a part of Finnish quality ensuring system before and the guidelines are more useful in ensuring the quality of higher education that is brought here from other countries. The connection be-

tween transnational organisations and Finnish universities is seen as indirect in ensuring quality.

### 5.3.3. Social and cultural perspective

Social and cultural rationales aim to strengthen national identities, increase cross-cultural understanding between countries and enhance multicultural understanding in higher education institutions (Jane Knight 2004: 21; Nokkala 2014: 131–132).

The OECD has noted that Finland is a country that should actively aim to tackle brain drain. The Finnish government has therefore stated that one of its aims is to tackle brain drain. Finnish universities are aware of the fact that it is not easy to recruit the best highly educated people to Finland, regardless of whether they are from Finland or outside Finland. The best and most ambitious researchers often have the option to choose where they want go to do research. They end up easily in top-universities, which can offer good salary and significant benefits. The salary of researchers in Finland is relatively low. Finnish universities also find it challenging to find other benefits to offer for the academic staff, as resources are extremely restricted. Half of the interviewees expressed that there is not much that universities can do to tackle brain drain. Due to the universities' core funding cuts universities are unable to recruit the best brains and offer the benefits that would keep them from leaving the country in search for better opportunities.

*“What is lacking here is the foreign researcher’s incentive package, so that he or she would have the help of a doctoral student or postdoc etc. We don’t have the supporting arrangements, which would attract foreign scholars to come here.”*

However, brain drain is not always seen as a disadvantage to Finland. Almost half of the interviewees mentioned that there are also positive effects when highly educated people leave the country and gain international experience abroad. When Finnish researchers or international students who graduate from Finland leave Finland to work in another university, they create an important connection between Finnish universities and the university they go to, which can be even more beneficial for Finland than if they stayed in

the country. The connection with the people leaving Finnish universities should be emphasised more than just by trying to keep them in Finland. This calls for a well-organised alumni network. It is a reality that some people will always leave, and therefore it is a waste of resources to put too much effort on persuading them to stay.

*“My opinion has always been that an international student who has graduated from our university or a researcher who has worked for us can be as valuable for Finland or even more valuable, even though she or he leaves. So the fact that people leave, move, go around and maybe come back is not at all a bad thing. That should be the aim. And therefore analysing the phenomenon on a short-term view, as a yearly balance is not really sensible.”*

The economical situation is challenging in Finland. Therefore, both Finnish and foreign students who graduate from Finnish universities might face difficulties in finding employment. Foreign graduates especially have problems in finding jobs in Finland, because of the strict language requirements demanded by companies. The three most common actions that universities can do in order to keep students in Finland according to the interviewees are integrating students to the community from the beginning of their studies, offering a sufficient amount of Finnish language teaching and connecting students with possible employers from the beginning of their studies. In average the language requirements are seen as too strict in Finland. For some reason most Finnish companies are still shy to employ foreign people, even though they might have a high quality degree and valuable international expertise that the company might need.

The interviewees noted that work and leisure-time are strictly separated in Finland, which makes integrating extremely difficult for foreign students. In other countries such as the United States, professors might invite international students to their homes and use their personal networks to unite the students with possible employers. The fact that international students spend their time in Finland with other international students is also seen as a problem. Two of the interviewees also mentioned that international researchers and students have sometimes given feedback to universities, where they express that they do not feel welcome in Finland and find it difficult to integrate. Even though universities can try and support the integration and employability of international students, getting people to stay and work in Finland requires effort from the

whole society. The interviewees identified problems in work permits, attitudes and language requirements that should be eased in order to attract and keep international talents in Finland.

*“We have to make this country a place where people want to stay and live, that is the most important thing.”*

International work experience and connections to international companies are extremely valuable for Finnish companies and universities. If there are no employment opportunities in Finland, it is logical that people will go and find work from other countries. This does not mean that they would never come back and bring the valuable experience back to Finland.

*“In a way I think that this is really not that big of a problem. Because I believe that if the economical situation gets better in Finland at some point, many of the people who have left Finland, might want to return to Finland and then they have the international experience, which we want. I can’t see this as sad news at this point.”*

As universities aim to attract international students and researchers to Finland, also the language of instruction has changed in many courses and programmes to English. All of the interviewees considered the increasing use of English language as the direction in the quickly internationalising world that is inevitable if universities really want to become international. Several interviewees mentioned that it is also reasonable to ensure that Finnish and Swedish language stay represented in a way that they develop as languages of science.

*“Finnish is still our mother tongue and we will never be in the same position when we are doing things with a foreign language. And Finnish also has value as itself, it’s a part of our philosophy and culture”*

Some of the interviewees did not express concerns about the status of Finnish or Swedish language. As the world is internationalising quicker than ever before, the benefits of teaching and doing research in English weigh more than the possible harms. Several interviewees also mentioned that it is extremely important that also Finnish students participate in study programmes and courses that have English as the language of instruc-

tion, as it increases the employability of the students and helps international students to integrate into the Finnish society. Finnish students also benefit from studying in a multicultural environment.

*“I would want that our best product would be a well-educated young person, who has the international skills when he or she graduates. She or he is able to jump into an environment, where teamwork is done with a foreign language. That is the best thing we can offer for the world, that is our innovation. Not any device, the young person is our innovation.”*

#### 5.3.4. Political perspective

Political rationales emphasise the countries' foreign policy position, national security, strengthening national and regional identity, giving aid to developing countries and supporting peace and mutual understanding between nations (Jane Knight 2004: 21; Nokkala 2014: 131–132).

Locke (2011: 201) claims that universities, employers, government and the best-qualified and most mobile students regard reputation more important than quality. According to the present research, the interviewees believe that there is a difference between Finnish and international students. Reputation seems to be more important to Asian students than it is to Finnish students. Therefore, as Finland is aiming to enter the international education markets the importance of reputation capital has also become a relevant factor. According to Locke the reputation of a university is determined by how attractive it is, and therefore how selective it can be when choosing students, researchers and other staff, research funders and cooperation partners. Success in rankings gives universities more opportunities to choose which international partners they want to cooperate with.

Rankings have become policy instrument in evidence-based political decision-making (Kehm 2014: 111). A clear majority of the interviewees considered that success in international rankings is relevant for universities. However, all interviewees emphasised that international rankings should be analysed critically and the information they give is

rarely absolute. Rankings measure different things and are often biased. However, they have an influential status in the international higher education arena and success in rankings opens doors that could not be accessed otherwise. They are seen problematic, as for example small universities that might have top quality teaching and research might have no chance in succeeding in them, even though the research and education they produce might be top quality.

*”Oh... Well yes... This is a bit like we say; no one likes them, but everyone reads them. Now that we are speaking about international competition and stuff, so in some countries these are very important. I don’t believe that a Finnish upper secondary school graduate thinks about rankings. But for students coming from Asia these seem to be really important.”*

The success in international rankings is also used in building the brand for Finland. Even though it is seen that rankings might not be the best indicators of quality, they have a huge role in international cooperation. Success in rankings might help the universities’ students to access countries, which are strict in recognising foreign degrees.

*Success in rankings has enabled us the access to a Russian list of universities, which indicates that a Russian person who has graduated from our university will have her or his degree recognised in Russia much more easily than graduates from other Finnish universities.*

In order to become a top ranked university, the university must produce internationally influential and significant research. The Finnish government expects universities to provide solutions to global issues, such as global economic growth, internationalisation, free trade and technological development. Global and national issues are seen as intertwined. Half of the interviewees consider that the main task of universities is to produce research that aims to answer to international questions and by producing internationally significant research universities also respond to national questions. The other half of the interviewees shared the view that the two areas of research are to some extent intertwined, but would not put the two tasks into order of importance.

*“We have two missions in our strategy. The other one is to contribute to the national wellbeing and competitiveness. The other one is to work for, I know it sounds like a cliché, but for a better world globally.”*



The division has blurred in today's world. Even research that is done in Finnish language needs a global aspect, as in order to produce high quality research the results need to be benchmarked. Some interviewees mentioned that the task of producing research that answers to specific national or regional questions is the responsibility of polytechnics.

Globalisation and therefore social multiculturalism has increased the need for mastering multicultural skills. The Finnish Government states that integration and employment of immigrants can also be promoted through education (Government Programme 2007: 26; Ministry of Education 2008: 46). Finnish universities select their students mainly through entrance examinations. The OECD has recommended that special actions should be taken considering the intake capacity of immigrants. The OECD also states that the principle of equal treatment may not always be valid in the admission process. (OECD 2009: 36–37.) A clear majority of the interviewees did not agree with this view, as a quota for a certain target group is not seen as an equal or good way to recruit students. The task of universities in the process of student admissions is to try and recruit the best possible students, regardless of their background. However, all interviewees hope that the number of immigrants applying to higher education would increase, but it is seen that the measures aiming to integrate immigrants to the society should be taken earlier.

*“We can try and change and tailor the admission system but then we cannot guarantee that the students manage to perform in their studies. We can't have a and b class degrees. Instead, immigrants should be encouraged during the upper secondary level. If you look at the field of medicine, we really need doctors with an immigrant background.”*

The share of immigrants among students in higher education does not correspond to their share of the entire population. It is believed that one of the reasons behind this is the inheritance of education, meaning that people rarely exceed the education level of their parents. This is also a problem among the Finnish population. Therefore, it is extremely important that young people are encouraged to apply to upper secondary schools and to learn Finnish language. Also the options for adult education should be

developed. It is seen that the marketing and information given to students about higher education should be developed.

*”One thing is marketing. So how universities market their degrees. Are all target groups taken in consideration enough and are there enough people with different coloured skin in the marketing material.”*

However, few interviewees considered the idea of universities having a quota for immigrants as a good idea. At the moment it is not possible as the legislation restricts universities from selecting students based on their origin. There is a need to increase the amount of professionals such as lawyers, teachers and doctors with diverse language skills and deep understanding of different cultures. The requirements of the level of Finnish language are considered too strict. Some of the interviewees also emphasised that the current admission system should be reformed entirely.

## 6. CONCLUSIONS AND DISCUSSIONS

This chapter will examine and discuss the findings of the empirical findings analysed in the previous chapter. The theory presented in this study will be reflected with the results of the research. Finally this chapter will give suggestions for further research.

### 6.1. Main findings

Since the OECD's first published version of the Thematic Review of Tertiary Education in 2006, Finnish higher education policy has changed drastically. Universities have been reformed and the new Universities Act has changed the way universities are managed and steered by the Finnish government. The concordance between the OECD's recommendations on higher education internationalisation and the Finnish national policies considering the internationalisation of universities is remarkable. The OECD has no budgetary power over its member countries or ability to issue peremptory provisions to them. Like Rubenson (2008: 244) explains, the lack of power has developed the OECD into a semi-autonomous educational group of experts, which works like an international civil service for all of its member states.

The Finnish policies on internationalising universities highlight productivity, cost-effectiveness and efficiency, which are typical elements of the NPM doctrine (Virtanen & Stenvall 2010: 47). The study shows that the concerns that the OECD has expressed over Finland's absence in the international higher education market and the low productivity of Finnish universities have also become concerns of the Finnish government. The OECD has played a major role in leading universities into adopting the market-oriented new public management doctrine. Academic capitalism has replaced classical understanding of science universities, as gaining reputation capital and increasing competitiveness are the most emphasised aims behind internationalisation of universities. In accordance with the findings of other researchers, the results of the semi-structured interviews showed that the managing and the performance of universities are under increasing political, social and economic pressures. (Kallio 2014: 65; Kauppinen 2012:

554.) The Finnish government wishes that internationalisation of universities would be used as a tool to gain external funds for universities.

The similarity between OECD's recommendations and the Finnish higher education internationalising policies can be a result of the way that the OECD carries out its assessments. Especially the Finnish government's economical rationales to internationalise universities are far from the traditional Nordic welfare state model. The member countries order assessments from the OECD usually during the preparation of national reforms and the studies published by the OECD are used to legitimise financially or otherwise strict policy solutions in political decision-making. (Rinne, Kallio & Hokka 2004: 36; Kallio 2006: 287–288; Kallio 2010: 23.)

The OECD is only very rarely mentioned as reference in the national policy documents that were analysed and therefore, it is difficult to show that the OECD's review report has directly steered Finnish policies. However, the statistics of the OECD are mentioned few times, when aiming to legitimise the policies defined in the document. The review team of the OECD has visited Finland in order to analyse the education system and form recommendations. The visit of the review team has involved meeting other actors than just the appointed government officials. (Hale & Held 2011: 1–4.) Therefore, it is hard, if not impossible to define who has created the similar ideas presented in both the OECD's recommendations and the Finnish policy documents. Therefore, the answer to the first research question, "*How do OECD's transnational ideas and rationales for internationalisation of higher education institutions appear in the higher education policies of Finland?*" is that there is no evidence that the ideas behind Finnish higher education internationalisation policies come directly from the OECD, as policies may be influenced by various different actors, networks and organisations. Like Dolowitz and Mash (2000: 10–11) state, the involvement of various actors makes it impossible to distinguish whether the policy transfer is voluntary or coercive transfer.

However, even though the OECD is not a direct actor in creating Finnish national higher education international policies, as only very little reference is made to it in the official documents, it can be stated that it has used indirect information steering to high-

light certain issues. The OECD has brought up issues in its recommendations that have not been present in Finnish higher education internationalisation policies before, like the concept of brain drain. It has also succeeded to draw the Finnish governments attention to specific policy themes, such as tuition fees for international students, and in this way it has been able to influence officials and decision-makers to consider certain issues as important topics. Like Kallo (2010: 22) notes, the OECD review reflects the organisation's own and its member states' political interests, economic trends and recent political turning points and therefore, it can be stated that the OECD has influenced Finnish higher education policies through political agenda-setting.

Even though the OECD is not directly referred to, in the descriptions of the higher education internalisation policies, the OECD's statistics are used in the Development Plan on Education and Research in 2011-2016 to legitimise the need to take further the policies described in the Development Plan on Education and Research in 2007-2012 (Ministry of Education 2008; Ministry of Education 2012). Like Melkas (2010: 46) states the Government uses a high level expertise in its information steering, which is supported by an extensive international cooperation and exchange of information within the EU and the United Nations and other transnational organisations such as the OECD. However, it is always a political decision to choose what information is used, and therefore it has been a political decision to form policies that resemble the policies of the OECD. Like Jalonen (2008: 8) explains, information steering is ambiguous, as it is strongly based on a subjective experience, because different actors always value the same information differently and therefore there are various uses for same information.

The present research indicates that especially the Finnish government's economical rationales to internationalise higher education have followed the transnational trends. King (2010: 284–285) explains that policymakers examine the decisions taken by other autonomous states before making individual choices for the government. The OECD's Thematic Review of Tertiary Education encouraged Finland to implement tuition fees for international students already in 2006, when the first version of the report was published. However, the Finnish government decided to implement tuition fees after the other Nordic countries had done it. Like King states, as policies are adopted worldwide,

it has become difficult for individual countries to resist the ideas and stay in their traditional systems and the strong influence of other countries makes Finland less autonomous. Like Hyyryläinen (2014: 302–303) states, contexts may vary between different countries and therefore it is not certain that a particular public management reform solves same issues in other governments. Transnational recommendations given by transnational organisations, mainly aim to find out how a problem is solved instead of actually defining the problem itself. Due to globalisation and integration countries rely more on each other when new reforms are planned. Being a member of OECD obligates countries to follow the reforms taken in the countries that belong in the same reference group, even though no binding reforms exist. The strengthening power of transnational actors is challenging the principles of democratic decision-making and reducing its transparency (Kallo 2010: 26).

The results of the present research indicate that the universities' representatives' attitudes towards the steering of the government vary. The Ministry of Education and Culture has been guiding universities towards internationalisation in a successful way but during the past years the interviewees noted a lack of coordination in the steering. Due to the university reform, university managers should have more decision-making power than ever before, but as universities are heavily dependent on public funding, their operations are still restricted by the government. The results express that most of the interviewees expected more coordination and strategic steering from the Ministry of Education and Culture. Most of the higher education internationalisation policies formed by the Government were considered important. However, the variety of expectations required by the government, were not seen to meet up with amount of funding universities are receiving. The results show that the restricting of resources has forced universities to start active search for external funding through internationalisation. However, universities find it hard to find spare resources that could be used for developing these operations so that they would become successful.

The academic rationales to internationalise higher education are mostly in accordance between the Finnish government and the interviewees. An international higher education community is seen as bringing broader views to the classroom as well as research

and universities aim to produce students with international skills in order to answer the growing demands of the internationalising world. Internationalising universities is also believed to increase quality and attractiveness of universities. However, most of the interviewees did not consider the core-funding model strategically encouraging as the resources to develop operations are decreasing and the indicators measuring internationalisation, which also determine the division of funding, are not truly supportive. For example the Ministry of Education and Culture emphasise that academic mobility should be increased as OECD's statistics show that Finland's academic mobility is not as high as in other countries. The present research shows that universities have forms of academic mobility, which are not measured by the Ministry of Education and Culture, and therefore not taken in consideration in the core-funding model.

The results show that the university representatives agree with the government's policies, that cooperation with foreign universities and accessing international research infrastructures are an important ways to ensure high quality research and Finnish universities should access international research infrastructures more actively. However, universities want to also develop their own research infrastructures in Finland in order to become more attractive. As the Government has not directed sufficient amounts of funding for developing the domestic research infrastructures, universities must consider cooperation between other higher education institutions. Some universities have already united into larger institutions, but more restructuring can be expected during the following years between higher education institutions.

The economical rationales to internationalise higher education are partially in accordance between the Finnish government and the interviewees. However, the aims behind collecting tuition fees, profiling universities and commercialising research results are approached from different angles. The OECD (2009: 68, 88) has suggested collecting tuition fees from international students in order to gain resources for universities. The majority of the interviewees believed that tuition fees would force universities to create better products that are well developed and high in quality. However, nearly all of the interviewees believe that the number of applicant will in the beginning decrease due to the tuition fees and that they will not bring more resources to universities any time soon,

if ever. In accordance with Altbach and Knight (2007: 303–304) university representatives believe that the tuition fees should be collected in order to encourage universities to develop the study programmes and ensure the motivation of the international students coming to study in Finland, not to make profit.

The government takes in consideration in its steering of public research, development and innovation funding the universities' cooperation between other higher education institutions and business life and the commercialisation of research results (Government Programme 2015: 19–20). University representatives want research to be influential and therefore they see commercialising research results as a good opportunity to utilise the findings. However, contrary to the view of the government, half of the university representatives do not see commercialising research results as a task of universities and they find it should not be an indicator for core-funding. Universities find it difficult and almost unethical to take resources from education and research in order to finance the commercialisation of research and therefore, some of the university representatives see commercialisation as a task of companies that specialise in the field rather than universities.

The Government expects universities to start forming more specialised profiles and use internationalisation as a tool to gain more resources (Ministry of Education 2012: 43–46). Finnish higher education institutions have relatively little or no experience of higher education export and therefore there is no guarantee that Finnish universities will be successful when entering the market. The university representatives also consider profiling as a difficult task for universities. It requires drastic structural changes and the decisions are in many cases irreversible. There is also a risk that profiling will create a higher education network that is not competitive domestically.

The social and cultural rationales to internationalise higher education are mostly in accordance between the Finnish government and the interviewees. The issue of brain drain, which has been injected to Finnish policies by the OECD, is not seen as serious among the university representatives as it is by the government. Finnish universities find it difficult to attract the best possible researchers and teachers to universities, as



Finnish universities cannot compete or offer the same benefits as top universities can internationally. Unlike the government or the OECD, universities look at the issue from a long-term perspective. When Finnish researchers or international students who graduate from Finland leave Finland to work in another university, they create an important connection between Finnish universities and the universities or companies they go to work with. University representatives consider this connection in some cases even more beneficial for Finland than if they stayed in the country. As the employment situation is challenging in Finland, students who graduate from Finnish universities might face difficulties in finding employment and they leave and find work from other countries. This does not mean that they would never come back and bring the valuable experience back to Finland.

The interviewees agreed with the government that integrating students into the community from the beginning of their studies, offering a sufficient amount of Finnish language teaching and connecting students with possible employers from the beginning of their studies is extremely important in order to ensure that the students have opportunities in the Finnish employment market after graduation. The university representatives also consider it important that Finnish students would choose to study in the international programmes in order to improve their language skills and multicultural expertise. The Government wants universities to develop especially the courses taught in English. As universities must define a price for international degree programmes, the degrees aimed for the international students must be attractive and have a high standard of quality. As some of the students are paying for the product, there must be some sort of consumer protection. This is considered as a positive development among the interviewees, but as resources are restricted universities are facing a difficult challenge in ensuring that developing the international degrees does not affect the quality of degrees taught in Finnish and Swedish negatively, as they also require resources in order to be improved and developed.

The political rationales to internationalise higher education are partially in accordance between the Finnish government and the interviewees. The government expects universities to convert the downturn in rankings of international competitiveness and compari-

sons that measure the development of information society. Rankings are used as policy instrument in evidence-based political decision-making (Kehm 2014: 111). Most of the interviewees consider success in international rankings beneficial for universities. However, international rankings are not considered so important, that extra efforts should be taken to succeed in them. Rankings are different and the indicators measured also express what kinds of results are desired, and therefore they are often biased. Some universities will never succeed in them, regardless of their quality. They are a means to gain reputation capital, and therefore they have a role in the international competition.

The Finnish government expects universities to change the focus of research towards a less inwardly system which provides solutions to global issues, such as global economic growth, internationalisation, free trade and technological development (Ministry of Education 2008: 45). Most of the university representatives consider global and national issues as intertwined. Answering international questions is believed to be the main task of universities, as universities must contribute to the creation of a better world. When universities produce internationally significant research they also respond to national questions, as the world has become transnational and issues that affect one country usually affect also other countries. The issues that are clearly domestic also need a global benchmark in order to ensure the quality of the research. Like Altbach and Knight (2007: 303–304) state, the rationales for internationalisation are clear and shared internationally, but there are also uncertainties that may affect the pace of the process in different universities, working in different operating environments.

The global responsibility of Finland has made the society more diverse as immigrants have settled in Finland for various reasons including war, persecution and poverty in their country of origin. The share of immigrants among students in higher education does not correspond to their share of the entire population. The Finnish government aims to promote integration and employment of immigrants through education. The government aims to reform the higher education admissions system and the OECD has recommended that the principle of equal treatment may not always be valid in the admission process (Ministry of Education 2008: 46; OECD 2009: 36–37). A majority of the university representatives contrary to the views of the OECD resist the idea of any

kind of quota for any target groups. University representatives see it important that immigrants are supported and encouraged to aim for higher education in earlier stages of the education system, but they see that the task of universities is to recruit the most talented students, regardless of their country of origin, sex, social status or background. In this way universities can ensure that their international academic community can produce high quality competitive research and skilful graduates for the society.

*“I must comment first, that I believe the link between the OECD and universities is indirect, at least from the point of view of universities. Even though we are aware of what the OECD and others think about education and higher education, the linking comes maybe more through the decision-making of the Ministry and others.” (Representative of one of the case universities.)*

Like one of the interviewees stated, the present research indicates that the management of Finnish universities is not steered by the OECD in the same way as the OECD influences the Finnish Government. This answers to the second research question, which aimed to study: *“How do the managers of Finnish universities respond to the higher education internalisation policies conducted by the Finnish government, and to what extent do the managers agree with the transnational ideas?”* Like Mahon and McBride (2008: 6–7) state, policies are not always simply copied in a standard form. Policy transfer takes the form of policy learning, which shapes and translates the ideas behind the policies and program models to different settings, taking in consideration the local interests. The steering of the government aims to change its higher education policy decisions into concrete action in the higher education institutions.

The steering mechanisms used by the government include legislative steering, financial steering and information steering. Universities are expected to mainly use their core funding to internationalise their operations and as they are own legal bodies the steering directed by the government is therefore largely information steering. The other forms of steering are also present, but not as strongly. (Pekkola, Kivistö & Nokkala 2014: 172–173, 177.) Universities develop their operations according to their expertise and long-term strategic planning, which they are eligible to practice due to their autonomy, but they are also influenced by the steering of the government. The political atmosphere of the government changes quick and transnational organisations and therefore, external

actors have a larger impact on the views on the government officials than the university managers. Like Grinvalds (2008: 188–189) states, even though OECD's ideas might remain on the stage of idea transfer and might not be favoured by the decision makers, it does not necessarily mean that it would not have any effect as decision makers change regularly and therefore the context changes.

Knight (2015: 108–112) has divided international universities into three generic models: classic model, satellite model and co-founded model. According to the present research, the internationalisation of Finnish universities has traditionally resembled the classic model, which is the most common form of internationalisation. It refers to universities that have several international activities and partners and that have an international and intercultural dimension in their academic, research, service, and management initiatives. The classic model universities might for example practice academic student mobility, collaborative research projects, benchmarking or joint program development and delivery. However, the present research indicates that universities are developing towards the satellite model, which refers to universities that are physically present in other countries. Satellite model universities might have satellite research centres, branch campuses, and contact offices for alumni support and developing off-campus research centres.

The hypothesis was that the transnational ideas that appear in the OECD's recommendations for Finland are visible in Finnish national government policies. Even further, the national government policies aim to create solutions that direct the whole university network and aim to make it more competitive and influential and therefore OECD's statistics are used as a reference. The managers of Finnish universities analyse the policies from the point of view of an individual university, taking in consideration the international setting but also their own operating environments. Therefore, it is likely that university managers will find problems in the policies concerning internationalisation of higher education, which the government does not address.

Contrary to the hypothesis, OECD's statistics are not referred to in most the higher education internationalising policies formed by the government. However, the concordance between the OECD's recommendations on higher education internationalisation and the

Finnish national policies considering the internationalisation of universities is substantial. Also the present research shows, that most of the university representatives, contrary to the government's views, do not believe that the internationalisation of universities will bring resources to universities anytime soon. However, resources are needed in order to develop the operations of universities so that they can succeed in the competitive international education market. The present research indicates, that the university representatives have not adapted the neo-liberalistic ideas of the OECD in the same extent as the national higher education internationalisation policies have. However, universities have adopted the market-oriented terminology, which has changed for example degrees to products. Like Saarinen (2005: 4–5) states, policy can be seen as a discourse and therefore, the one who names and defines a problem has the advantage in solving it. Discourse plays a great part in this process together with non-verbal ideologies and power play, and therefore the power of the influence of transnational organisations should not be underestimated (Grinvalds 2008: 188).

The government's internationalisation expectations are expanding, while the resources of universities are decreasing. Universities are going through challenging times and it remains to be seen if further internationalisation will be implemented into universities the way the transnational actors suggest, and can it offer a solution to the problems defined by the government.

## 6.2. Discussion

Like Pekkola, Kivistö and Nokkala (2014: 175) argue, the present research also indicates that the transnational ideas are injected into national policies in various ways including policy transfer, information steering (e.g. reports, statistics), knowledge networks, transnational discourses and the process of “naming shaming and blaming”. The source of the ideas is difficult and in some cases impossible to trace, due to the complex networks and the indirect influence of various actors on officials and decision-makers. Like Nokkala (2007: 15–19) states in her research the attitude towards international operations in universities has changed. They have become closely integrated with general

higher education policy and its goals. International operations of universities have “institutionalised” into the organisational as well as the national higher education system. The mission of universities is re-conceptualising in the society. The present research shows that Nokkala's prediction has become reality in the current higher education system. The mission and success of universities is measured from a new angle and the policy discourse is influenced by ideas that are strongly connected with neo-liberalism, self-management, performance-based steering, target setting and accountability, public choice theory and the new managerialism. The present research shows that the Finnish government expects universities to apply the ideas and processes of business management into the ways universities operate. Even though universities managers highlight the other more traditional academic missions of universities, they have accepted the idea that universities must enhance competitiveness and operate as efficiently as possible.

Nokkala's (2007: 19) research on the roles and tasks of the university as a social institution in the context of competitive knowledge society in Finland and in the European higher education arena states that new modes of governance are needed, as the role of universities as social institutions has become complicated due to the fragmentation of society. She states that universities must respond to governments, academics and students, employment markets and industries, professions, status groups and reference groups, communities and localities, and the dis-localities of the global. The present research indicates that new governance models have entered the Finnish higher education system. Especially the needs of global education markets, employment markets and industries have become relevant in the way universities operate and form their strategies. The present research studies the governance of universities from a different angle due to the fact that universities autonomy was extended in 2009, when the Finnish Parliament passed new University Act (Yliopistolaki 558/2009).

Universities have become independent legal personalities. This has reformed the way universities' management and decision-making system work. Information steering has become the central way for the government to steer universities. The government aims to provide information that will enable the university to organise its services in a better way and more efficiently. Information steering is persuasive instead of binding in nature

and its power is based on the policies, which are based on information, research, recommendations or sharing principles, which are hoped to have a self-directing effect on the operations of the institution. The Government also aims to express its goals and support the other forms of steering it operates (e.g. legislative steering, financial steering). (Stenvall & Syväjärvi 2006: 13–17.) The present research shows that the role differentiation in managing internationalisation and entering the higher education markets between universities and the government is in some sense considered vague by some university managers. The government expects through its financial steering and higher education policies the autonomous universities to implement structural reforms and better utilise the possibilities of internationalisation. However, several of the university managers that were interviewed found the ways the government steers universities lacking coordination and support.

Söderqvist (2002: 13, 201) argues, that as higher education is becoming an industry, commercialisation of higher education has become an important phenomenon, that should be studied with the tools of international business. Söderqvist states that the current higher education discourse considers the financing of universities through internationalisation. The results of the present research are in line with this statement. The analysis of the official government documents in the present research demonstrates that the emphasis on financing universities through internationalisation has increased significantly. In accordance with Kallo's (2010: 26) research, the present research sees the various epistemic networks of experts and the recommendations of the transnational organisations causing peer pressure which shapes the national education policy agendas towards a neo-liberalistic idea of how universities should operate. The present research indicates that university managers share the rationales to internationalise universities with the government, however the economical rationales are not as strongly emphasised.

The present research concentrated on finding the ways the OECD has influenced Finnish higher education policies concerning internationalisation. According to Kallo (2009: 202–203) the OECD's objectives on education policies have shifted from the 1960's objective of producing highly educated labour force to the 1990's objective,

which aims to guide universities and the whole higher education system to take the responsibility in guaranteeing national competitiveness in the global market. The present research demonstrates that the concordance between the OECD recommendations and the Finnish higher education policies concerning internationalisation is significant. In accordance with the OECD's recommendations the government expects universities to participate in the building of the brand of Finland through their competitiveness. The present research is in line with Nokkala's (2007) and Kallio's (2009) research, however due to the university reform (Yliopistolaki 558/2009) in 2010 the government does not aim to fund or directly coordinate the development of internationalisation, but universities are due to their self governance expected to reorganise their operations and find external funding in order to find the resources for internationalisation.

Knight's (2013: 84) questions whether the change in higher education, caused by globalisation is for the better or worse. Knight has expressed concerns over the consequences of internationalisation, such as commercialisation, diploma and accreditation mills, international rankings and the great brain race. She also claims that the importance of internationalisation is often recognised, but the benefits, risks and processes are not fully understood. According to the findings of the present research, some managers of Finnish universities question the long-term aims of the government's higher education internationalisation policies. The Finnish government seems to draw the policies mainly based on the transnational trends. Like Nokkala (2007: 18) states, internationalisation is seen as a change process, and more precisely, as an organisational change of the university. In order to develop the internationalisation of universities, universities are expected to change. However, change requires time and resources and the success of the change can rarely be guaranteed.

### 6.3. Future research

The present research focused on the process of transnational ideas entering national higher education internationalisation policies in Finland and the way they were considered by managers of Finnish universities. Universities have faced massive reforms dur-



ing the past years and they are expected to restructure their operations in order to work more efficiently. The present research could be further studied through studying the views of government officials, who work with the policies considering internationalisation of higher education. The research should aim to study which actors, networks and transnational organisations aim to influence Finnish higher education policies and how strong is the influence of external actors.

Further research could also study the effects of the neo-liberalistic ideas that have been adopted into the Finnish higher education policies. The research should aim to study how does the implementation of tuition fees for non EU and EEA students affect the international higher education community in Finnish universities and has the marketization of higher education affected the quality and attractiveness of universities. It would also be necessary to study how the forced profiling of universities affects the functionality of the higher education network domestically. The research should study what is the relationship between the autonomy of universities and the steering of the government. How the government steered restructuring and profiling is managed in universities and who truly decides what are the important operations of universities.

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## APPENDIX 1. The structure of the semi-structured qualitative interview.

## Akateeminen/ Academic:

1. Mitä hyötyä kansainvälisestä yliopistoyhteisöstä on opetuksen ja tutkimuksen kannalta?/ How does an international university community benefit education and research?
2. Millaisia haasteita globalisaatio asettaa yliopistolle?/ What kind of challenges does globalisation cause to universities?
3. Mitä mieltä olet kansainvälistymiseen liittyvästä valtion ohjauksesta? Ovatko yliopistot saaneet riittävästi tukea aidosti kansainvälisen yliopistoyhteisön luomiseen?/ What is your opinion on the steering of the government considering internationalisation. Have universities received a sufficient amount of support in order to create a truly international university community?
4. Onko yliopistonne kansainvälinen liikkuvuus tarpeeksi aktiivista? Pitäisikö sitä lisätä ja liittykö tavoitteiden saavuttamiseen ongelmia?/ Is the academic mobility in your university active enough? Should it be increased and are the problems related to reaching the goals.
5. Osallistuuko yliopistonne tarpeeksi aktiivisesti kansainvälisten tutkimusinfrastruktuurien käyttöön ja kehittämiseen? Parantaako aktiivinen osallistuminen mielestänne tutkimuksen laatua?/ Is your university involved actively enough in using and developing international research infrastructures? Does active participation enhance the quality of research in your opinion?

## Taloudellinen/ Economic:

6. Miten uskotte lukukausimaksujen (EU- ja ETA-alueen ulkopuolelta tuleville opiskelijoille) vaikuttavan tukintojen houkuttelevuuteen? How do you believe the tuition fees for non-EU and non-ETA students will affect the attractiveness of degrees?
7. Pitäisikö yliopistojen mielestänne profiloitua enemmän? Should universities form sharper profiles?
8. Miten tutkimustuloksien kaupallistamista voisi kehittää ja näetkö ongelmia kaupallistamisessa? How can the commercialisation of research results be developed? Are there problems related to commercialising? Mikä on mielestäsi suomalaisen osaamisen asema kansainvälisillä koulutusmarkkinoilla? What is the status of Finnish know-how in the international education market?
9. Ammattikorkeakoulut ja yliopistot laativat yhteistyössä Korkeakoulujen arviointineuvoston ja Opetushallituksen kanssa UNESKOn ja OECD:n suuntaviivojen pohjalta rajat ylittävän korkeakoulutuksen laatusuosituksen suomalaisille toimijoille./ Polytechnics and universities drew, in cooperation with the Finnish Education Evaluation Centre, the Finnish National Board of Education quality recommendations for cross-border higher education for Finnish actors, based on the UNESCO's and the OECD's guidelines.

Suosituksissa suomalaisille toimijoille on asetettu tavoitteiksi:/ The recommendations for Finnish actors are:

- Korkeakoulun laadunvarmistusjärjestelmän pitää kattaa rajat ylittävä koulutus./ The quality assessment system of a higher education institution has to cover the cross-border education.
- Korkeakoulut varmistavat, että niiden osaaminen ja resurssit ovat riittävät toiminnan laajuuteen nähden ja niiden työskentely-ympäristö tukee laatutyötä./ Higher education institutions ensure that their know-how and resources are sufficient in relation to the scope of operations and their working environment supports the quality work.
- Korkeakoulutuksen toimijat varmistavat kattavan ja virheettömän tiedon saatavuuden toiminnastaan ja rajat ylittävästä koulutuksesta./ The actors in the field of higher education ensure a com-

prehensive and accurate availability of information about their operations and cross-border education.

Onko yliopistolla mielestänne hyvät mahdollisuudet kehittää rajat ylittävää koulutusta näiden laatusuosituksen puitteissa? Do you think universities have a good opportunity to develop cross-border education within the framework of these quality recommendations?

Sosiaalinen ja kulttuurinen/ Social and Cultural:

10. Tällä hetkellä Suomesta muuttaa ulkomaille enemmän korkeasti koulutettuja (sekä suomalaisia että ulkomaalaisia), kuin heitä muuttaa ulkomailta Suomeen. Mitä yliopistot voivat tehdä tämän ehkäisemiseksi? At the moment more highly educated people are moving out from Finland than there are moving in. What can universities do to prevent this?
11. Maisteriohjelmiä kehitetään monitieteisinä ja kansainvälisinä kokonaisuuksina monissa yliopistoissa. Monet yliopistot tarjoavat tiettyjä maisteriohjelmiä tai opintokokonaisuuksia vain englannin kielellä. Mitä mieltä olette tästä? Master's degrees are developed as multidisciplinary and international programmes in several universities. Many universities offer some master's programmes or courses only in English. What do you think about this?
12. Kuinka tärkeänä näet suomalaisten yliopistojen pärjäämisen kansainvälisissä rankingeissa?/ How important do you consider that Finnish universities do well in international rankings?

Poliittinen/ Political:

13. Suomeen tulevat maahanmuuttajat suorittavat suomalaisia harvemmin korkeakoulututkinnon. Pitäisikö opiskelijavalintaprosesseja kehittää ulkomaisten ja maahanmuuttajataustaisten opiskelijoiden rekrytoinnin tehostamiseksi? Miten? The share of immigrants among students in higher education does not correspond to their share of the entire population. Should the student admission process be modified in order to support the recruiting of immigrants? How?
14. Millaisia toimenpiteitä yliopisto tekee/ pitäisi tehdä, jotta Suomessa tutkinnon suorittaneet ulkomaalaiset opiskelijat saataisiin jäämään Suomeen? What (should) Finnish universities do in order to get international students, who graduate in Finland to stay in Finland?
15. Onko yliopistossa tehtävän tutkimuksen mielestänne vastattava ensisijaisesti kansallisiin tarpeisiin vai globaaleihin kysymyksiin? Should the research conducted in universities firstly respond to national needs or global issues?

APPENDIX 2. The interviewees.

Aalto University:

Hannu Seristö/ Vice Rector

University of the Arts:

Paula Tuovinen/ Vice Rector

University of Eastern Finland (UEF):

Lea Ryyänen-Karjalainen/ Chair of the Board

University of Helsinki:

Jaana Husu-Kallio/ Chair of the Board

Tiina Kosunen/ Head of Development International Affairs

Markus Laitinen/ Head of International Affairs

University of Tampere:

Harri Melin/ Vice Rector

University of Turku:

Riitta Pyykkö/ Vice Rector

Kalle-Antti Suominen/ Vice Rector

University of Vaasa:

Jari Kuusisto/ Vice Rector

## APPENDIX 3. The comparison between the OECD's ideas and national policies.

Category	The OECD's ideas	Finnish Higher Education Policies
Academic rationales	Importance of an international higher education community	<ul style="list-style-type: none"> <li>•Internationalisation of higher education is enhanced in order to promote national and international well-being. (2008)</li> <li>•Universities will further increase the number of foreign students and personnel. (2008)</li> </ul>
	Strategic actions are needed to advance internationalisation	<ul style="list-style-type: none"> <li>•Ministry of Education creates a Strategy for Internationalisation of Finnish Higher Education in 2009-2015. (2008)</li> </ul>
	Supporting student, teacher and researcher mobility	<ul style="list-style-type: none"> <li>•Student, teacher and researcher mobility are priorities of universities. (2008)</li> <li>•Universities will incorporate a module supporting internationalisation into all degrees. (2009)</li> </ul>
	Stronger cooperation in order to better utilise resources	<ul style="list-style-type: none"> <li>•Research infrastructures road map in 2009. (2008)</li> <li>•Financing model of universities will be developed in order to encourage universities to cooperate and start division of work. (2012)</li> <li>•The Finnish education exporters' cooperation and mutual product and service delivery will be strengthened, also between private companies and universities. (2016)</li> </ul>



Economic rationales	Internationalisation enhancing quality	<ul style="list-style-type: none"> <li>•Internationalisation will be strengthened in order to safeguard quality. (2012)</li> <li>•Universities will contribute to the aim of the Europe 2020 strategy to strengthen education, research and innovation in Europe. (2012)</li> </ul>
	Demonstrating quality internationally	<ul style="list-style-type: none"> <li>•Recommendations for cross-border quality provision for Finnish actors based on the UNESCO and OECD guidelines will be drawn by 2010. (2009)</li> <li>•Finnish high quality education and research expertise will be</li> <li>•incorporated into the brand building of Finland. (2016)</li> </ul>
	Charging tuition fees	<ul style="list-style-type: none"> <li>•Pilot project of collecting tuition fees from students coming from countries outside the EU and EEA (2007).</li> <li>•Tuition fees will be introduced for non-EU and non-EEA students from 2017. A scholarship systems will be implemented. (2015)</li> </ul>
	Stronger brands and identities	<ul style="list-style-type: none"> <li>•Universities will build distinct profiles in terms of teaching, research, links with working life and regional development. (2008)</li> <li>•Higher education institutions are expected to start structural development projects. (2008)</li> <li>•The profiles and respective responsibilities of universities and research institutes will be clarified and cooperation between them will be increased. (2015)</li> </ul>

	Commercialising research results and educational services	<ul style="list-style-type: none"> <li>•Universities are expected to build competitive and attractive study programmes within their areas of expertise, which can at some point be exported. (2008)</li> <li>•Measures will be taken to facilitate tailor-made education targeted abroad. (2008)</li> <li>•Commercialisation of research results will be taken into account in the steering of public research, development and innovation funding. (2015)</li> <li>•Export of Education Roadmap for 2016-2019. (2016)</li> </ul>
Social and cultural rationales	English as language of instruction	<ul style="list-style-type: none"> <li>•Students and staff of universities must have sufficient linguistic skills for international cooperation in studies and working life. (2008)</li> <li>•The higher education institutions offer high-quality education, given in foreign languages. (2009)</li> <li>•Supply of education with international elements will be increased. (2012)</li> </ul>
	Tackling brain drain	<ul style="list-style-type: none"> <li>•International students, who have completed their studies in Finland will be encouraged to stay and work in Finland, for example with tax deductions. (2015)</li> <li>•Finland will aim to compete for its own youth, as more young people are leaving Finland to study abroad. (2015)</li> <li>•Aim to improve foreign students' residence and work permit practices. (2016)</li> </ul>

Political rationales	Research system should not be inwardly	<ul style="list-style-type: none"> <li>•Universities have a responsibility for solving global problems. (2008)</li> <li>•Finland aims to provide solutions to world's problems, such as global economic growth, internationalisation, free trade and technological development. (2015)</li> </ul>
	Success in international rankings	<ul style="list-style-type: none"> <li>•The downturn in ranking in international competitiveness and development of information society comparisons has taken a downturn and must be converted. "International comparisons and rankings have great significance for educational and science policies". (2009)</li> </ul>
	Special actions considering intake capacity for widening participation of immigrants	<ul style="list-style-type: none"> <li>•Barriers to student selection will be removed in order to increase the study possibilities for foreign-language students and students with immigrant backgrounds in Finnish higher education institutions. (2008)</li> <li>•The share of immigrants among students in higher education will correspond to their share of the entire population. (2008)</li> <li>•Obstacles to immigrants' higher education will be removed through the development of guidance counselling, student selection and other support action. (2012)</li> <li>•The entrance examination process to higher education institutions will be reformed (considering all students). (2015)</li> </ul>