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Ulrich Bremer

Internationalization Strategies of German Universities

With a foreword by Prof. Dr. Stephan Stubner

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Foreword

The internationalization of German universities is stunning: Germany consistently ranks in the top 10 study destinations for international students– German universities *are* internationalized, over 300,000 international students are currently enrolled, and German universities participate in various international projects. Legislators have granted organizational freedom to universities and have incentivized their growth and internationalization; thereby, universities have the opportunity to conduct strategy-based internationalization.

Regarding the role of universities in society and the economy, additional aspects emerge: Our country faces a growing shortage of skilled labor, representing a key barrier to maintaining Germany’s economic well-being. At the same time, over 300,000 international students study at our universities. This situation represents an opportunity for universities, society and economy which can be seized by means of organizational entrepreneurship.

Thus, at the national level, internationalization is a priority for Germany: Its geographical situation, its international trade relations, and its history make international cooperation a political imperative. However, when reflecting on recent global political events (outcomes of the American and German elections, Brexit, etc.), the legitimate question of national interests moves to the forefront. The challenge remains how to motivate a significant share of the international students to join the German workforce upon completion of their studies.

The present thesis contributes to the analysis of internationalization patterns of German universities in the past, delivers facts on internationalization outcomes, ideas for their further trajectory in the future, including the context of digitalization. It employs a mixed method approach integrating both quantitative and qualitative aspects of the topic and presents a typology of approaches to the issue. Thus, the

research delivers insights for practitioners in the internationalization process as well as decision makers in administration, regulation, and universities.

Prof. Dr. Stephan Stubner (Dean)
HHL Graduate School of Management

Acknowledgements

The topic ‘Internationalization strategies of German universities’ is pertinent to universities for several reasons: It is a reflection of the international nature of science, it has the potential to enhance quality, it contributes to international understanding, contributes to the solution of global problems – and, particularly in an aging society like Germany, it can deliver an influx of skilled migrants to be educated by German universities.

Reflecting the complex nature of German public research universities, a number of questions emerge: Is the internationalization the result of a strategy-based internationalization process? If so, what are the objectives of key universities? Contrasting privately operated institutions, these institutions act within the framework of complex rules, regulations and motivations. Thus, this research aims at contributing to the application of management theory in the environment of public research universities, and at generating additional theory on the process of internationalization.

The choice of this subject was inspired by the professional experience in contributing to the internationalization of my previous employer – the idea was shaped by my academic advisor, Professor Andreas Pinkwart, who has provided invaluable insights, guidance, motivation and an access to his network. I convey my gratitude to him for the opportunity provided, the trust expressed and the quality of cooperation.

I owe substantial gratitude to all who have contributed information to this thesis, especially to the interviewees, who have taken their precious time despite numerous other obligations, as well as to all participants in this research. I thank the team from the chair, in particular Marcus Haberstroh, for the academic exchange and the feedback given, as well as numerous friends and colleagues who have provided ideas and interest for the topic, particularly Professor Thomas Amling.

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Ulrich Bremer

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List of Abbreviations

ARWU	Academic Ranking of World Universities
BAMF	<i>Bundesamt für Migration und Flüchtlinge</i> Federal Agency of Migration and Refugees
BMBF	<i>Bundesministerium für Bildung und Forschung</i> Federal Ministry of Education and Research
BMI	<i>Bundesministerium des Innern</i> Federal Ministry of the Interior
BPB	<i>Bundeszentrale für politische Bildung</i> Federal Agency for Political Education
CERI	Centre for Educational Research and Innovation
CHE	Centre for Higher Education
DAAD	<i>Deutscher Akademischer Austauschdienst</i> German Academic Exchange Service
DIW	<i>Deutsches Institut für Wirtschaftsforschung</i> German Institute for Economic Research
ERASMUS Programme	European Region Action Scheme for the Mobility of University Students
GER	gross enrolment ratio
HFD	<i>Hochschulforum Digitalisierung</i> German Forum for Higher Education in the Digital Age
HRK	<i>Hochschulrektorenkonferenz</i> University Rectors' Conference
IaH	Internationalization at Home
KPI	Key Performance Indicator: a measurable value indicating a com- pany's effectiveness in achieving key business objectives
KMK	<i>Kultusministerkonferenz</i>

	Standing Conference of the Ministers of Education and Cultural Affairs
MBM	management by missions
MBO	management by objectives
MOOC	massive open online course
NPM	new public management
OECD	Organisation for Economic Co-operation and Development
SME	small and medium enterprises
SVR	<i>Sachverständigenrat zur Begutachtung der wirtschaftlichen Entwicklung</i>
	Council of Experts on the Assessment of Economic Development
THE	Times Higher Education World University Rankings

Abstract

Internationalization of German public universities is a topic of significant relevance for German universities themselves, but also for the country's economy and society. German society faces a huge demographic challenge, since it is expected that up to five million skilled employees will be needed by 2030 to keep the country's baseline economy up and running. Consequently, politics have created favourable conditions to attract international students, for instance, low tuition fees or none at all, work permits during studies, and attractive consecutive work options. All this is accompanied by a strong German economy providing for suitable jobs. Besides the overall benefits of an international orientation (such as international visibility, diversity in student body and faculty, but also knowledge spillovers), German universities are largely incentivized on growing student numbers. Moreover, other studies suggest that attracting skilled migrants to study in Germany and to remain upon graduation is likely to produce positive results in terms of integration and employability.

Defining the growth of international student ratio and growth of international scientific staff ratio as outcome variables, this study examines the internationalization behaviour of German universities. In so doing, the focal point of this thesis is to contribute new aspects to the scientific discussion on targets for universities in the field of internationalization, in relation to the needs of society and economy.

To this end, the work at hand is subdivided into three parts: The first empirical part examines four significant factors of impact: specialization, internationality of environment, size, and international reference within the mission statement. This is done by means of quantitative methods centred round ten parameters that are surmised as potential traits of internationalization (e.g., existence of an internationalization strategy in 2012; internationally exposed rector; number of exchange agreements). In this context, the key results of this thesis show that: (a) specialization correlates positively with the growth in ratio of international students; (b) internationality of the environment correlates negatively to the growth

in ratio of international students; (c) size of university correlates positively with the growth in ratio of international students, and (d) the international reference within the mission statement correlates positively with the growth in ratio of international scientific staff.

The second, qualitative part applies the Leipzig leadership model, as an innovative school of leadership that considers the contemporary needs for permanent change in the process of internationalization, and derives suitable applications for each dimension of the model within the environment of higher education. In line with the Leipzig leadership model's central conviction that organizational purpose is the fulcrum of strategic management, it proposes three types of uniquely purpose-driven universities: 'global leaders', 'status quo optimizers' and 'nichers'.

In the third part, the results of this study are transferred to today's university practices and also to further academic research, pinpointing needs for structural change in favour of internationalization and its interconnected goals, with regard to society, economy and higher education policy.