In 2013, the Malaysian government invited China's Ministry of Education to establish a university branch campus to strengthen bilateral relations between the nations. Xiamen University (XMU) was chosen to lead the initiative because its founder, Tan Kah Kee, was a Chinese Malaysian and there are well-established ties between XMU and Malaysia.

Xiamen University Malaysia (XMUM) opened in February 2016 as “the first overseas campus established by a renowned Chinese university and the first Chinese university branch campus in Malaysia”. XMUM is a not-for-profit entity. Any surplus revenues are to be reinvested in research and scholarships in Malaysia. Nearly all of its courses will be taught in English with the exception of traditional Chinese medicine and Chinese studies programmes.

Linked to Kuala Lumpur by a 30-minute train ride, XMUM is being built on 150-acre site with an initial cost of $300 million (£227 million). Most of the funding is from the China Development Bank, but there have been significant private gifts including $30 million for the cost of XMUM’s library.

Construction started in July 2014 and the first cohort of 200 Malaysian undergraduates started classes in February 2016. A further 1,000 students are expected to be enrolled by September, and the goal is to have a total enrolment of 5,000 by 2022, rising to 10,000 students in the longer term.

Competing for talent
XMUM is entering a robust market for higher education. Malaysia already had nine branch campuses of international universities such as the University of Nottingham and Monash University, and strong domestic institutions.

To compete with these institutions for students, XMUM developed a three-step strategy. It decided to recruit Malaysian students first, then international students and, finally, Chinese students.

It has created nine different pathways for Malaysian students to enrol in the various initial degree programmes and accommodate different assessment schedules. For example, students who want to apply for the international business programme need at least grade B in five subjects in the Unified Examination Certificate (UEC), or an average of 70 per cent in six relevant subjects in the Canadian Pre-University (CPU) programme, or a minimum of passes in two subjects at A level and other equivalent entry requirements.

Students from China, and Chinese citizens resident in Malaysia, will only be admitted on the basis of the Chinese college entrance examination (gao kao) with different cut-off scores for programmes and provinces. In the 2016 gao kao-led national admissions process, 500 places are open to students from 14 provinces. About one-third are earmarked for applicants from Fujian province, the location of the home campus.

Intercultural competence
As XMUM’s enrolments increase and become more culturally diverse, it will face faculty and recruitment challenges. To date, the relatively small initial intakes have meant that faculty numbers are also relatively small and XMUM was able to open with enough faculty members to serve the undergraduate and foundation programmes.

To attract faculty and staff from the home campus to teach in Malaysia, XMUM offers financial incentives and arranged for the main campus to recognise four months’ Malaysian service as meeting the requirement of a year’s international experience for promotion to full professor at XMU. XMUM is also promoting its research opportunities to attract overseas faculty.

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But the need for English proficiency and ease with a more interactive teaching style in an intercultural environment limits the number of faculty that can be readily drawn from the home campus.
Faculty from China and some other regional higher education systems may also be deterred by some of Malaysia’s accreditation requirements that favour “a variety of teaching-learning methods” including opportunities for students to take responsibility for their own learning. Faculty members are also expected to use formative and summative assessment techniques in monitoring and evaluating student achievement.

In addition to these quality-oriented constraints faculty recruitment may be hampered by other regulatory requirements such as Malaysia’s entry visa and residency regulations. A work visa for staff can take up to six months to approve, which drags out the recruitment process and can deter applicants.

As the student body grows and diversifies, and the faculty becomes more numerous and cosmopolitan, fostering and maintaining good communication on campus will be more challenging. Anticipating this, XMUM is looking for faculty who are interculturally competent as well as proficient in English and an expert in their discipline.

**Managing two environments**

XMUM’s first months of operation illustrate the challenges that Chinese universities will face as they open branch campuses in other nations.

XMUM operates within two strong national regulatory contexts. This is most clearly illustrated by the requirements of the two national ministries in the student admissions process. Accommodating and reconciling different laws and protocols demands deft and flexible leadership that is alert to the operating environment but understands the constraints that shape China’s public universities.

XMUM is a new entrant to a relatively crowded field. The nine competitors have similar profiles and reputations; they are international providers of English language programmes and operate with different price points. As well as competing with its “peers”, XMUM is competing for student talent with domestic universities.

It is also setting up in a highly competitive market for faculty who are both proficient in English and interculturally competent. To maximise its revenue base to be able afford the costs of faculty, XMUM has diversified the entry pathways to its undergraduate programmes and established foundation programmes to create a pool of eligible students. Its safety net is the potential flow of 500 Chinese students through the *gäokào* admissions process.

These strategies are shaped by the operating environment of Malaysia and constrained by the authorising environment of the home campus in China. They are all designed to maximise the short- and medium-term viability of the first Chinese branch campus.

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