

US is poised to stop worrying and embrace overseas agents

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By [Phil Baty](#)

World's largest offshore recruiter may cast off doubts as market hots up, writes Phil Baty

The US is poised to seize an even greater share of the lucrative international student market as its universities wake up to the potential of using overseas recruiting agents.

A report this week from the Observatory on Borderless Higher Education says that the US has established itself as the world's largest recruiter of international students without any help from the agents that its rivals have long relied upon.

But the report states that the "tide may be about to turn" and the US could be set to embrace agents for the first time.

It says: "Some American colleges' officials now believe that the use of offshore recruiting agents makes increasing sense. Foreign students are recognised as an important means to internationalise their campuses and to close their budget gaps through the higher tuition fees these students often pay.

"Although the US remains the most popular destination for international students, other countries with more aggressive recruitment strategies have steadily cut into the US market share in the past decade."

According to the latest figures from the Higher Education Statistics Agency, the US had 623,800 overseas students in 2007-08, compared with 389,330 in the UK.

While the use of agents to attract overseas students is widespread in the UK, it has been extremely rare in the US. American law bans the payment of agents in the domestic recruitment market, which has led to a widespread misconception that overseas agents are also banned, says the report, *Leading the Horse to Water*.

There have also been lingering ethical concerns in the US about the use of agents, because there is a perception that "when recruiters are being paid ... their first priority may often be their own financial gain, rather than the student's interest", the report says. "In addition, it is difficult for university administrators to ensure that their offshore agents are not misrepresenting their institutions abroad."

However, the report adds that ethical concerns "may now be about to turn", with plans for US regulation of the agency market.

Benefit all players

The American International Recruitment Council (AIRC), a non-profit body, is drawing up a set of ethical standards and a system for certifying foreign recruiters, the report says.

It has begun a pilot certification programme with an initial group of eight foreign recruitment agencies, including firms operating in China, Denmark, Germany, India and Thailand.

One participant in the pilot scheme is IDP Education, Australia's largest international student recruitment company, which has 850 staff in 75 offices based in 24 countries.

IDP announced in May that it would be branching out to help US institutions. It aims to have 60 American bodies on its books in time to recruit students for the 2010-11 academic year. A week after IDP declared its move, Hobsons, an international education services firm, said it would offer recruitment services to US institutions.

Mitch Leventhal, chair of the AIRC and vice-provost for international affairs at the University of Cincinnati, said: "I think that US numbers will substantially increase due to the adoption of agency-based recruiting, which is being aggressively adapted to the US education system.

"Whether the US will increase its market share will depend on the growth of the market overall, combined with the marketing success of major competitors - the UK, Australia, New Zealand, Canada and so on."

But he added that the use and regulation of agents by the US could benefit all players.

"I believe that this new situation points to the need for more collaboration between UK and US institutions in the development of combined or joint programmes, whereby both sides can benefit from this new market reality," he said.

Don Olcott, chief executive of the Observatory, who has spent 25 years in US higher education, was more cautious about the likely effects on the international market.

He pointed out that while international students account for 25 per cent of total higher education enrolment in Australia and about 15 per cent in the UK, the US figure is only 3.5 per cent - so American institutions do not rely on the international market for survival.

"The fact is that the majority of the 4,130 colleges and universities in the US are not dependent on international students," he said.

"Yes, you will have some that may use agents and some who more aggressively recruit international students in general, but one would need to look specifically at these institutions and where they fall on the overall quality and reputation (spectrum of the US sector)."

He suggested that most US universities would still be reluctant to "risk any unnecessary impact on their quality and excellence frameworks by engaging in what is still a questionable practice.

The law says universities can use agents for foreign recruitment, but that raises the old adage: 'Just because you can doesn't mean you should'."

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Readers' comments

- **Shahina Khan** 14 August, 2009

I wish to comment on Mr Don's apprehensions. Though it's clear from the data that the % of international student enrolments in US is much lower compare to other countries, the fact is more and more US students are cheated by small time agents than the other countries. If you look at the kind of agents being working for the US universities and rest of the world, the quality of agents working for US is much lower. One of the major reasons behind this situation is no good agent wishes to get in there in its current mode of operations. Small agents charge huge money from students to help them in processes using the fact that they will not get any money from the institution. It is important to have quality control over agents however their role is very important as Indian students still need much help in selecting the university and processing their admission. If students stop needing this help, agents role will go away automatically. Agents existence shows that students need them. Its best to regulate agents than getting away from them. Its only a fraction of this community which is cheating students in the absence of open communication.

- **The truth is..** 14 August, 2009

The truth is students from countries like India and China need not come to West. These countries have hundreds of universities. The reason why they do is that they still think that the roads in the West are paved with gold, plenty of jobs etc.. which is not true. They come and do work in fast food joints and elsewhere, the kind of work they do not even imagine in their own countries. The agents are the villains many of them are nothing but crooks. The West holds so much attraction for them. Some one should tell these students to stay put in their countries and go to universities there.

- **Lisa Glancy** 14 August, 2009

This article has no mention of EducationUSA, which is a program sponsored by the U.S. Department of State to support international students in reaching U.S. higher education. For U.S. institutions who engage this network of 450 Educational Advisers worldwide, EducationUSA can replace the work of agents while providing services to both the students and universities completely free of charge. Regulating agents may be an answer to helping meet the needs of some international students, but I don't see agents as necessary when a free and high quality service exists worldwide that provides comprehensive and personalized assistance to students. Perhaps universities should focus their energy in establishing close working relationships with EducationUSA Centers rather than negotiating the use of for-profit agents.

- **Mitch Leventhal** 14 August, 2009

I believe that EducationUSA advising centers are a valuable and essential means to extending information to thousands of prospective students worldwide, and US institutions should work closely with EducationUSA. However, the simple fact is that EducationUSA cannot be in all places, and it cannot always provide the level of personalized service that many students (and their parents) need when attempting to navigate the complicated maze of applications and regulations associated with study abroad which, after all, represents a sizeable investment and significant risk for the family. AIRC encourages close collaboration of US institutions with EducationUSA. However, we would also like to see EducationUSA engage with an important process to elevate the professional practice of recruitment agents, and contribute to building a more robust and ethical recruiting environment.