

Internationalisation of Real Estate Education

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SUMMARY

For a long time the real estate business has been a regional business and so has been real estate education. As a consequence real estate education is very different throughout the world. Firstly, this paper gives an overview of the diverse educational approaches:

- The “interdisciplinary approach” (which is practiced e.g. in Continental Europe)
- The “surveying approach” (which is typically found in the UK and other countries of the British Commonwealth)
- The “investment and finance approach” (which is dominating in the USA).

Secondly, internationalisation is gaining importance in all sectors of the economy. This also applies to the real estate sector. Real estate education therefore needs to convey the knowledge required for the international property business in a global context. Thus, this paper attempts to describe the reasons for an internationalisation of the real estate business, such as:

- Institutional Investors can no longer afford to restrict their investments to their home country;
- As a consequence, the understanding of and expertise in international valuation methods is gaining in importance;
- Banks are forced to provide property financing on an international level to follow the expanding business of their clients.

Thirdly, based on literature reviews, the scanning of web sites and an empirical survey, the motives, goals, concepts, and structures of international curricula, educational approaches and study programmes are examined. The empirical survey considered academics and researchers at academic real estate faculties and university departments from 39 countries in 7 different regions around the globe: Africa, Asia, Europe, Latin America, Middle East, North America and Pacific-Rim. The questionnaire sought to provide information about the following educational aspects:

- International co-operations, exchanges and teaching methods;
- International classes that cover foreign countries;
- Educational approaches applied;
- The interest of the respondent in different forms of future co-operation with other universities.

On this basis, the paper shows various concepts and options to internationalise real estate education. For example, one concept is the internationalisation of the real estate curriculum by broadening the range of international real estate contents, which can be roughly divided into four subjects: Foreign real estate markets, international real estate investment, the globalisation of real estate markets, and the comparison of international standards and practices in real estate (e.g. property valuation). Another concept is the enforcement of international exchanges between universities, e.g. student exchange programs, the exchange of academic staff or international visiting professorships and guest lectures.

Finally, the paper discusses some limiting conditions that influence the internationalisation of real estate education.

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1. INTRODUCTION

Real Estate has been a regional business for a long time and so has been real estate education. In some economically important countries eg the UK and USA real estate education is a well established academic discipline. In other countries eg in Continental Europe it is in an early stage of development. As a consequence real estate education is very different throughout the world. An encompassing comparison and analysis of real estate education on all continents of the world can be found in Schulte (2002a). According to Schulte and Schulte-Daxboek (2000), the concepts can be differentiated into:

- The “interdisciplinary approach” (which is practised eg in Continental Europe),
- The “surveying approach” (which is typically found in the UK and the other countries of the British Commonwealth)
- The “investment and finance approach” (which is dominating in the USA; Schulte, 2003).

Internationalisation is gaining importance in all sectors of the economy. This also applies to the real estate sector. In the “global village” the importance of property in the life of human beings and the responsibility of real estate professionals for the developed and undeveloped environment has become obvious. Therefore, real estate education needs to convey the knowledge required for property involvements in the global context (Schulte, 2002b).

This paper points out the reasons for an internationalisation of real estate education. In addition, it describes how international aspects are included into under- and postgraduate programmes at universities around the globe. Furthermore, this paper strives to uncover upcoming trends that reflect the ongoing internationalisation of real estate education and explores various options that might lead to an improvement of international real estate curricula and education.

2. RESEARCH DESIGN

The three main elements of the research design are (1) the review of international literature on real estate education, (2) the scanning of web sites of universities with real estate programmes and (3) an e-mail survey of academics and researchers at academic real estate faculties and university departments with a significant focus on real estate. The institutions considered are from 39 Countries¹ on 7 different regions around the globe: Asia, Africa, Middle East, Pacific-Rim, Europe, North America and Latin America.

¹ The 39 countries are Argentina, Australia, Belgium, Brasil, China, Estonia, Finland, Fjidi, France, Germany, Ghana, Greece, Hong Kong, India, Israel, Italy, Japan, Canada, Kenia, Korea, Malaysia, Netherlands, New Zealand, Niger, Poland, Russia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Taiwan, Tanzania, Turkey, UK, USA, Zimbabwe.

2.1 Survey Sample Selection

To define the elements of the population selected for participation in the e-mail survey a list of potential institutions was produced by considering the following sources:

- Attendees at conferences of the American Real Estate Society (ARES), the European Real Estate Society (ERES), the African Real Estate Society (AfRES), the Pacific Rim Real Estate Society (PRRES), the Asian Real Estate Society (AsRES);
- Top 10 U.S. undergraduate real estate programmes according to U.S. News & World Report 2004;
- Urban Land Institute (ULI) 2002: The Directory of Real Estate Development and Related Education Programmes, tenth edition;
- Lizieri/Baum 2002: Real Estate Education in Europe. A Report for the Urban Land Institute;
- RICS accredited universities in Europe;
- Schulte 2002a: Real Estate Education Throughout the World;
- Personal contacts of the research team.

In the following the above described sampling procedure is broken down for each specific region which was defined to be monitored in the survey.

2.1.1 Asia:

- Attendees at conferences of the Asian Real Estate Society (AsRES);
- Schulte 2002a: Real Estate Education Throughout the World;
- Urban Land Institute (ULI) 2002: The Directory of Real Estate Development and Related Education Programmes, tenth edition;
- Personal contacts of the research team.

2.1.2 Africa

- Attendees at conferences of the African Real Estate Society (AfRES);
- Schulte 2002a: Real Estate Education Throughout the World;
- Personal contacts of the research team.

2.1.3 Europe

- Lizieri/Baum 2002: Real Estate Education in Europe. A Report for the Urban Land Institute;
- Urban Land Institute (ULI) 2002: The Directory of Real Estate Development and Related Education Programmes, tenth edition;
- Schulte 2002a: Real Estate Education Throughout the World;
- RICS accredited universities in Europe;
- Attendees at conferences of the European Real Estate Society (ERES);

2.1.4 Latin America

- Schulte 2002a: Real Estate Education Throughout the World;
- Personal contacts of the research team.

2.1.5 Middle East

- Contacts supplied by Ali Parsa (London South Bank University) and Kanak Patel (University of Cambridge);

2.1.6 North America

- Top 10 U.S. undergraduate real estate programmes according to U.S. News & World Report 2004;
- Urban Land Institute (ULI) 2002: The Directory of Real Estate Development and Related Education Programmes, tenth edition;
- Attendees at conferences of the American Real Estate Society (ARES);
- Schulte 2002a: Real Estate Education Throughout the World;

The analysis of the above sources yielded a panel consisting of 206 contacts. In order to control for institutional bias the list included only one single contact in each department or faculty. Nonetheless, there are some difficulties with the approach adopted. First, Continental Europe, the USA, and the UK represent the largest portion of the sample. This might lead to a country bias. Yet the research team decided not to reduce the sample size in these countries. The rationale for that decision was that the overall sample size would have gotten too small to produce an appropriate response rate, which is needed to generate meaningful results. Second, due to the large number of English-speaking countries represented in the sample there is likely to be a language bias. When interpreting the results of the e-mail survey one should be aware of these problems, which will be addressed in the corresponding sections of this paper.

2.2 The E-mail Survey

The sample identified was contacted via e-mail. The questionnaire attached to the e-mail sought to provide information about the following educational aspects:

- International co operations, exchanges and teaching methods;
- International classes that cover foreign countries;
- Educational approaches applied;
- The interest of the respondent in different forms of future cooperation with other universities.

Of the 206 contacts, 10 were returned as “undeliverable” leading to an effective sample of 196. At the time of writing 51 exploitable questionnaires from 23 countries² had been returned, resulting in a response rate of 26 percent. The results from the e-mail survey are presented in the corresponding sections of this paper.

3. GLOBALISATION IN THE REAL ESTATE INDUSTRY

Today “property involvements embrace multiple geographies and levels of concern, extending from the most intimate and immediate to the most global and expansive” (Schulte, 2002a). The importance of a global orientation in real estate education can be clarified by pointing out some examples of international property involvements:

- Institutional investors can no longer afford to restrict their investments to their home country;
- Leading developers have long ago set the trend towards global engagements;
- Banks are forced to provide property financing on an international level in order to remain competitive and to follow the expanding business of their customers;
- Real estate consultancies and brokers merge across national borders and continents, bundling international know-how and experience in growing entities.

Global competition and an increasingly global economic environment press practitioners to find new markets for real estate development and investment. This certainly has led to a heightened interest in the potential of international real estate investments (Worzala, 1996). Political and economic forces and capital flows drive markets and therefore property values and returns. Capital is being moved opportunistically between countries; the focus of investors is changing from a national orientation to a global consideration of property investments.

Hence the globalisation of property investment and finance markets, international mergers of property companies and the challenges of the development of urban space (the future of big cities etc.) demand internationally proficient real estate graduates and this must have an impact on education.

The growing importance of globalisation also led to the foundation of the International Real Estate Society (IRES), which held its first meeting in April 1992. While national organisations such as the American Real Estate Association also have the mission of promoting international real estate education (Guntermann and Johnson, 1996), the goal of this international umbrella organisation is to provide a global forum for the exchange of real estate research ideas, education, students, and faculty (Worzala, 1996).

In the last years the increased awareness for international issues has also been reflected through changes in the academic real estate programmes of universities throughout the world. International aspects can be institutionalised in the real estate education through various

² Argentina, Australia, Belgium, Brasil, China, Estonia, Fjidi, France, Germany, Hong Kong, India, Israel, Italy, Canada, Netherlands, New Zealand, Poland, Russia, South Africa, Taiwan, Turkey, UK, USA.

instruments some of which are subject of the following chapters. In the light of the complexity of the topic the following enumeration doesn't claim to be comprehensive but merely represents the result of the research undertaken.

4. INCLUDING INTERNATIONAL ASPECTS INTO REAL ESTATE EDUCATION

4.1 Motives and Goals

The internationalisation of real estate education offers many advantages to students, instructors and researchers. These advantages can be described as economies of scale and scope in real estate education that can be utilised through internationalisation. The most eminent advantage is the dramatic increase of the scientific work available to instructors, researchers and students. As the focus of real estate research and education is spread heterogeneously across the different countries, one can profit from individual progresses in specific fields of real estate knowledge. Furthermore, the comparison of international practices allows for the recognition and adaptation of best practices such as sophisticated financing instruments, innovative office and retail concepts, or new impulses for corporate real estate management.

In 1980, Jerome Dasso and Lynn Woodward noted that the “efficient use of real estate and efficient operation of real estate markets [...] become the goals of real estate education” (Dasso and Woodward, 1980). Today, real estate has turned into a global business. Investment decisions are made in an international context, multinational corporations start to actively manage their global real estate portfolios, and countries and cities compete for international capital. The more real estate markets cross regional and national boundaries, the more there has to be international real estate education.

4.2 Concepts for Internationalising Real Estate Education

4.2.1 Internationalisation of the Real Estate Curriculum

One way to incorporate international aspects into real estate education is to include courses with international contents into the real estate curriculum. About the half of the respondents operate real estate courses, which cover foreign countries. The main geographical areas covered are Europe (84 %), North America (56 %), China (32 %) and the rest of Asia (24 %). When interpreting these figures, one should be aware that there is a country bias as the majority of responses came either from European or North American countries. Yet, it is interesting to note, that China is ranked on third place. This reflects the importance China already plays in the real estate industry. And it is likely to happen, that China will further increase its importance to the real estate industry as well as for international real estate education.

The primary focus on general country specific aspects is on the general business environment (76 %), the market participants (72 %), the legal system (56 %) and the political situation in

the country (44 %). The range of international real estate contents can be roughly divided into four subjects:

- Foreign real estate markets
- International real estate investment
- Globalisation of real estate markets
- Comparison of international standards and practices in real estate

Hence, the emphasis real estate departments put on the above topics varies to a great extent. While some set the focus on teaching the knowledge of international real estate markets to prepare students for investment decisions others mediate the impact of global economic restructuring on the development of urban space.

The international contents of the investigated real estate curricula will be described in the following.

4.2.2 Foreign Real Estate Markets

Courses on foreign real estate markets generally examine real estate with respect to country-specific legal, economic, physical, and social/cultural environments. These courses in particular explore land use patterns and regulations, ownership rights, types of financing, leasing arrangements, transfer procedures, mortgage systems, real estate taxation, etc.

Courses covering these contents are held at the Robinson College of Business, Georgia State University, the Department of Finance of the Stern School of Business, New York University, the University of Wisconsin School of Business, the Wharton School of the University of Pennsylvania, the Universidad de Alicante/Spain the European Business School/Germany and several other institutions.

The Royal Melbourne Institute of Technology offers a course investigating the framework within which both public and private sector developments take place. It covers the development process and land use planning in different countries around the world. Students undertake research on planning and land use in any country of their choice or concentrate on Victoria, comparing its situation to international practices. This consideration of international practices broadens the students' point of view and allows for an intensive involvement with international real estate development procedures. Altogether, 18 institutions or 72 % of the respondents cover the environment of foreign property markets.

4.2.3 International Real Estate Investment

Courses dealing with international real estate investment comprehend the economic and political framework for real estate investments, risk analysis (especially concerning currency, political and informational risks) and risk management tools for international real estate investments (such as swaps, options and futures), as well as the international diversification potential in real estate investments. Often financial sourcing is investigated as well.

The Wharton School of the University of Pennsylvania, the School of Business at the University of Wisconsin-Madison, the Faculty of Architecture and Building of the University of Technology, Sydney, as well as the Department of Real Estate of the School of Design and Environment at the National University of Singapore offer courses comprising this subject to name a few. Overall, 64 % of the respondents offer classes that focus on international real estate investment.

4.2.4 Globalisation of Real Estate Markets

Several universities offer courses examining the globalisation of real estate markets. Among the topics discussed are the impacts of economic, political and legal internationalisation on city economies and the competition between urban areas for the attraction of investment.

In its course “International Property Markets”, the School of International Business at the University of South Australia deals with a comprehensive analysis of the globalisation’s effect on the real estate sector. Among the 72 % of the respondents who also offer courses discussing globalisation issues are the Warrington College of Business at the University of Florida, the University of Technology, Sydney, and the Royal Melbourne Institute of Technology.

4.2.5 Comparison of International Standards and Practices in Real Estate

This heading comprises all courses imparting and comparing methods or systems internationally and investigating the outcomes of their use respectively identifying best practice. Subjects of courses taught reach from exercising international real estate valuation methods and pointing out the country-specific differences (European Business School) to the highly interesting international comparison of housing finance systems and housing market outcomes (Wharton School of the University of Pennsylvania). Another example is the international comparison of construction project management between Europe, the United States and Japan as investigated in the “International Construction” lecture at the University of Reading’s School of Construction Management and Engineering. Altogether, more than half of the departments analysed cover international real estate standards and practices, which qualifies this topic as another very important issue in international real estate education.

Besides including courses with international contents many universities internationalise the real estate curriculum by undertaking international field trips to broaden the students’ perspectives. Among these universities are the Anglia Polytechnic University, Chelmsford, the University of Paisley, the Robert Gordon University, Aberdeen, the South Bank University, London (Royal Institution of Chartered Surveyors, 2001), the University of Wisconsin-Madison and the Texas A&M University, Austin. The University of Southern California organises the “Comparative International Development Spring Study Tour” giving students project experience abroad. Recent groups have travelled to Australia, Hong Kong, Beijing, Jakarta, Germany, and Morocco. The Columbia University, New York, also sponsors several international real estate study tours each year (Urban Land Institute, 2002).

4.2.6 International Exchanges between Universities

he logical extension of the incorporation of international aspects into the real estate curriculum is the exchange of students and professors. This allows for a personal interactive interchange of different ideas and concepts, broadening the perspectives of all participants.

4.2.6.1 International Exchange Programmes for Students

For students, the best introduction to internationality is by personal experience through an exchange programme. The continually growing number of participants in exchange programmes documents the increasing importance of international exchanges. For the purpose of this paper the term "study abroad" is defined as a one-way street, thus only students from one university visit the partner university. The term "exchange" describes a two-way exchange of students, thus students from both universities visit the partner university.

The immersion into a different culture and new concepts cannot be substituted through lectures or literature at the home university. The time abroad serves not only as means to broaden the academic scope but also poses a challenge to the participant's personality and adaptability by introducing them into a different "school of thought". Furthermore, the stay at a foreign university serves as an opportunity for students to learn the adaptation to foreign cultures and habits. As their future responsibilities most certainly will also include transactions with international business partners, the international experience will be of substantial benefit. Not only will the students encounter less difficulty in dealing with foreign partners and institutions, but they will also be in a better position to evaluate the success potential of international real estate projects.

Despite the great benefits of study abroad and exchange programmes in the field of real estate only few real estate departments explicitly include them into their academic programmes. Other universities may offer real estate focused study abroad and exchange opportunities to individual students or as an organised event, yet they do not make them public (based on results of internet research). In addition, the e-mail survey revealed that only a minority of the polled institutions offer exchange programmes (22 %) and/or a study abroad programmes (30 %) for students. Among the universities that the authors identified to offer international real estate study abroad and exchange programmes for students are the European Business School, the Georgia State University, the University of Hong Kong, the University of Reading, the Royal Institute of Technology in Sweden, the Texas A&M University, the National University of Singapore, the University of Technology, Sydney. The listing is far from complete, yet due to limited transparency these universities were chosen for an exemplary illustration of the characteristics of real estate programmes. This elaboration focuses primarily, however not exclusively, on the study abroad and exchange programme of the Endowed Chair of Real Estate at the European Business School, as it has built up one of the broadest networks of real estate partner universities worldwide.

One year of studies abroad is an integral part of the education concept of the European Business School. Founded in 1994, the Endowed Chair of Real Estate at the European Business School initiated its first real estate focused study abroad programme in 1998 through collaboration with the Georgia State University in Atlanta. The programme is intended to give students the opportunity to gather international experience while at the same time allowing them to receive a foreign degree, the Master of Science in Real Estate (MSRE) or the Master of Business Administration (MBA), the latter either with Real Estate Major or Real Estate Concentration. The programme is designed for one year and is fully incorporated into the real estate curriculum of the European Business School. The collaboration between the Georgia State University and the European Business School allows students to receive two academic degrees within a study time of four years, giving them ideal employment opportunities in the real estate industry.

In 2000, the European Business School opened a further collaboration with the University of Hong Kong. In 2002, another foreign degree programme was initiated in cooperation with the University of Reading. Both programmes span one year and offer graduates the title of Master of Science in Real Estate from the University of Hong Kong or from the University of Reading. Like the study abroad programme with the Georgia State University, the collaborations with the University of Hong Kong and the University of Reading are fully integrated into the real estate curriculum of the European Business School.

Last year the European Business School initiated a study abroad programme with the University of Technology, Sydney. The programme includes either a one-semester stay in Sydney during which students can earn credits for their studies or two-semester stay leading to the designation of Master of Project Development. This year, a one-semester study abroad cooperation with the University of Pretoria, South Africa, and a study abroad programme with a degree option with Curtin University in Perth, Australia, was set up. Further programmes such as a MSRE study abroad programme with Johns Hopkins University, Baltimore and a one-semester programme with the University of Alicante/Spain are in preparation.

Up to now these joint degree/diploma programmes are relatively rare. The e-mail survey revealed that only 19 % of the polled institutions have this type of educational co-operation in place. But as another 32 % of the respondents are in the process of setting up joint degree/diploma programmes these programmes strongly gain momentum and will become more important for real estate education in the near future.

As of now real estate students at the European Business School can choose from a variety of well-known universities for a one-semester study and are even given the possibility to receive a foreign degree as an addition to their diploma in business administration. With the implementation of the European Credit Transfer System (ECTS) at European Business School in place more partnerships are to be expected.

Initiated by the European Community, the ECTS promotes study abroad programmes (see http://europa.eu.int/comm/education/programmes/socrates/ects_en.html) as a means of

improving the quality of academic cooperation between universities and up to now has been implemented by more than 1200 educational institutions. While the scope of the ECTS is limited to member countries of the European Union (EU) and of the European Economic Area (EEA), it is obvious that similar initiatives around the globe can foster the creation of academic partnerships and significantly broaden the existing educational networks in all disciplines of real estate some of which are described below. It seems as if most of the institutions found to participate in international real estate exchange and study abroad activities either focus on providing foreign degree programmes or on offering a variety of different partner universities.

A member of the real estate community particularly active in both fields is the National University of Singapore. As already mentioned, the real estate curriculum includes courses with international topics. In addition, the university maintains an extensive real estate exchange programme. Students can spend up to two semesters in approved overseas universities for the Bachelor of Science in Real Estate. The universities are: the University of Melbourne, the University of New South Wales, the University of Aberdeen, the Imperial College of Science and Technology, Purdue University, University of Michigan, Pennsylvania State University, and Texas A&M University. As these exchanges are reciprocal, the listed universities can be confirmed to maintain at least one exchange relationship in the field of real estate.

Another institution with an international focus is the Texas A&M University that offers study abroad and exchange programmes in the Finance Department and the Department of Landscape Architecture and Urban Planning. In the context of its Land Economics and Real Estate programme, the Finance Department offers several real estate related study abroad programmes to its graduate and undergraduate students. The Department of Landscape Architecture and Urban Planning features exchange and transnational two-degree programmes with renowned international business schools: the Instituto Tecnológico Autónomo de México, the University of Hong Kong, and the National University of Singapore. Furthermore, study tours to active international markets for students and alumni as well as a summer programme in Australia are offered.

The Royal Institute of Technology in Sweden is known for its internationality. This also applies to the field of real estate even though a different approach was chosen. A large proportion of the courses are offered in English language, giving international real estate students the opportunity for a study abroad semester in Stockholm. Furthermore, the university offers since 1998 an international master's programme in Real Estate & Construction Management. In the first year, students from Europe, Africa and Asia attended the programme. For the academic year 2000/2001, the programme's name was changed to Real Estate Management. In a further step towards internationality the university designed a master's programme in Land Management for students from the former Soviet Union in 1996, drawing students from Russia, the Baltic States, the Ukraine and Belarus to Stockholm.

Other universities identified to be offering exchange or study abroad programmes are: the University of Reading (study abroad), the University of Texas at San Antonio (study abroad),

the University of the Pacific (study abroad), the Florida State University (exchange), the Royal Melbourne Institute of Technology (study abroad) and the St. Cloud State University (study abroad) programme.

At Clemson University, students are given the opportunity to take on semesters and short-term trips focusing on design in Barcelona/Spain; Genoa or Orvieto, Italy; Turkey; and Greece.

Furthermore the De Montfort University, Leicester, the South Bank University, London, the Hong Kong Polytechnic University, Hong Kong, the University of Ulster, Northern Ireland, the University of Southern California, the University of Cincinnati and the Robert Gordon University, Aberdeen, offer their real estate students the opportunity to study abroad. However, this only applies to some courses and programmes (Royal Institution of Chartered Surveyors, 2001).

Since student exchange and study abroad programmes are time consuming, they mainly fit into undergraduate or fulltime graduate curricula and are of only limited applicability to part time programmes.

4.2.6.2 International Visiting Professorships and Guest Lecturers

The curriculum can also be internationalised by inviting visiting professors from foreign countries who are experts in a particular field of research as well as international practitioners. After all, one third of the respondents have lectures integrated into their curricula held by foreign visiting professors. This path opens the opportunity to create a curriculum that integrates the leading experts in each field, which falls in line with the interdisciplinary character of real estate (Schulte, 2001). Still, some types of real estate courses are more prone to be held by visiting experts than others are because of the subject being more or less related to a specific country or regulatory environment. On the one hand, some subjects such as real estate taxes or real estate law are so local and specific that they cannot be covered in detail even for a single country and should be of use only to real estate professionals that operate to a high extent in a certain economic region. Therefore, a visiting expert from either of the fields is not necessarily always meaningful.

On the other hand, subjects such as finance and investment as well as real estate marketing are well suited to be taught by a visiting expert because of different national financial systems, financial instruments, investment vehicles and consumer tastes all of which an international real estate professional has to be very aware of at all times. In this case, an emphasis could for instance be placed on countries in which the respective domestic investors tend to invest most in or on the most important emerging foreign real estate markets. This way, a dynamic international real estate education of high relevance to the students could be created.

Finally, subjects such as real estate market analysis or real estate economics can be regarded as supranational so as to be readily applicable for the analysis of real estate markets in

different countries. Coryphées in these fields therefore would represent excellent visiting experts.

In the following some examples are given to show the different possibilities for integrating visiting professors and guest lecturers into the real estate curriculum, giving an impression of the many possible configurations. They also document the efficiency of the use of external knowledge in education. The use of external academics is a viable alternative to the establishment of internal academic capacities, freeing resources for the main academic focus of the institution.

The Endowed Chair of Real Estate at the European Business School has integrated visiting professorships into the real estate curriculum by utilising its numerous international contacts. Currently, Glenn R. Mueller, Professor at the Johns Hopkins University lectures at ebs. In the future, further professors from around the world will hold lectures at ebs, broadening the curriculum contents and bringing in new perspectives from various fields of research. Guest lecturers have traditionally been an integral part of the real estate curriculum at ebs, as the experts in the relevant field can best impart the various aspects of an interdisciplinary real estate education.

Another excellent example is the School of the Built Environment at the University of Ulster, where Stephen E. Roulac from The Roulac Group Inc., San Rafael, USA, is holding a professorship for Global Property Strategy. In his course, he addresses strategic management and financial economics theory and applications to real estate markets.

Graeme Newell, head of the property group at the University of Western Sydney, is a visiting professor at the University of Hong Kong. In this context, he holds lectures on real estate investments and the capital markets with an emphasis on modern portfolio theory.

The University of Pennsylvania also has included guest lecturers into its real estate curriculum. In the course "International Housing Comparisons" international speakers are invited to present their views on institutional innovations and the policy setting process in their respective markets.

At the University of Wisconsin–Madison, Rod Matthews, a senior lecturer at the School of Business in real estate and international business, brings guest lecturers to his classes. Notably, the guest lecturers hold their classes through the business school's video conferencing network, eliminating the need for the guest lecturers to travel across the globe.

The University of Cambridge also relies on guest lecturers. The aim is to expose students to the global real estate environment through a number of visiting academics as well as real estate practitioners providing additional lectures on the programme.

The Delft University of Technology in the Netherlands has also included guest lecturers into its real estate programme. In the core module Development various international guest lecturers are invited to provide further insight into the fields concerned from the point of view

of actual practice. Furthermore, case studies are held and presented by an international lecturer from the Harvard University.

The University of Singapore offers a special seminar elective in its real estate programme, which focuses on the latest trends and issues that impact the local and international real estate markets. In this seminar guest lecturers including overseas visiting professors are invited for a focused discussion.

The HANKEN Swedish School of Economics and Business Administration, Helsinki, offers a master's programme in real estate finance that is taught by a selection of recognised national and international professors in real estate and finance. Among others, they include Professor Austin J. Jaffe, Pennsylvania State University, Professor John Glascock, George Washington University, Professor Thomas Kalbro, Royal Institute of Technology, Professor Stellan Lundström, Royal Institute of Technology, Professor C.F. Sirmans, University of Connecticut, Professor Geoffrey Turnbull, Georgia State University and Professor Kauko Viitanen, Helsinki University of Technology.

4.3 Joint Academic Initiatives

A third way of providing international real estate education consists of joint academic initiatives, for instance postgraduate real estate programmes initiated by two or more real estate related universities each of which offers some of the courses.

Since 1994, the Nottingham Trent University, the Technical University of Budapest and Budapest University of Economic Sciences are offering a joint master's programme that leads to the title MSc Real Estate (Hungary) and that is taught by distance learning. The programme that has had an ongoing accreditation from the RICS since 1995 is taught over two years through distance learning packs that are written either in Hungarian or English.

In 2003, the European Business School and the University of Cambridge launched a joint postgraduate programme in real estate portfolio management that includes a weekend session at the University of Cambridge.

Additional programmes have been launched by the German Bergische Universität Wuppertal in cooperation with the University of Reading (Master of Science in Real Estate Management & Construction Project Management) and the ADI, a private German institute, in cooperation with the Nottingham Trent University (Master of Science in Real Estate).

Further joint academic initiatives can include editorial boards of academic journals that are composed of real estate researchers from different nations. Typical for such a venture is the Pacific Rim Property Research Journal but the editorial boards of most of the leading academic real estate journals also provide good examples.

In addition, the Annual Conferences of the Regional Societies that are assembled under the roof of the International Real Estate Society represent excellent platforms for the exchange of

international educational concepts. Not surprisingly, most of them already have integrated special education sessions to their regular programme.

Finally, joint research initiatives of researchers from different countries can increasingly be found in globally recognized journals such as the *Journal of Real Estate Practice and Education*, which also serve as a mean of preparing real estate education for the requirements of the 21st century.

5. LIMITATIONS OF INTERNATIONAL REAL ESTATE EDUCATION

One of the most severe limitations pertaining to international real estate education applies to national real estate education as well. As Epley pointed out in 1996 “the area of real estate has not yet progressed through the early stages of evolution of analysis and discussion that would achieve the first level of delineation and consensus of opinion on the real estate” body of knowledge (BOK). While it is true that international real estate education is elementary, it also holds that more input is essential for the body of knowledge both on a national and an international educational level. In this context, the fact that different schools put an emphasis on different paradigms and BOKs (Epley, 1996) at the same time represents a threat and an opportunity for international alliances depending on the attitude of the respective institution towards different paradigms. A complementary view can foster a widening body of knowledge while a mutually exclusive view is likely to harm it.

Other impediments to an international real estate education include different educational systems in terms of teaching methods, schools of thought and institutions, different institutional structures of real estate markets, different terminologies (Lizieri and Baum found out that terminologies are not clear even among English speaking countries; Lizieri and Baum, 2002), and fragmented professional structures. As Black and Carn noted in 1998, the result is that [...] “there are very few academic real estate educational programmes that focus in a meaningful way on real estate knowledge and skill development that can be used in a rapidly integrating global environment” (Black and Carn, 1998). As a matter of fact even institutions that find ways to overcome said impediments have to consider at least two more points when establishing real estate study abroad or exchange programmes.

The first important prerequisite is the reputation of the partners. Before operative questions such as language of instruction, level of exchange, accreditation of academic courses and financial compensation gain importance, the academic institutions must come to the conclusion that students can profit from the partner’s education. This aspect becomes even more relevant as the targeted partners come from different countries, cultures and academic traditions. In this context, the recognition of the academic quality through an independent third party can serve as a catalyst. This was the case for the collaboration of the Endowed Chair of Real Estate of the European Business School and the University of Hong Kong, both among the top five world-class university partners of the Royal Institution of Chartered Surveyors (RICS). Other ways of earning reputation include publications, a network within industry, international research and rankings. While these types of signalling allow well-established institutions to broaden the scope of their real estate education, it puts less known

market participants at a disadvantage and, therewith, limits the extent to which well functioning international educational real estate exchanges can emerge.

The second important issue in establishing international programmes is the provision of real estate courses that are taught in a common language, most likely English. Currently language barriers are one of the major obstacles for the introduction of real estate study abroad and exchange programmes. The survey conducted by the authors reveals that at the most of the polled departments and faculties English is the main language in class. This result is not surprising as the majority of the returned questionnaires (53 %) comes from English speaking countries such as Australia, Canada, New Zealand, the USA, and the UK.

Taking a closer look at the responses from the non-English speaking countries discloses the following: at 17 % of the institutions English is the main language in class and 21 % offer a certain proportion of their curriculum in English. But the majority of the respondents (62 %) still use the local or national language in class. Taking this into account, non-English speaking countries should introduce or try to rise the share of classes taught in English if they want to take part in international co operations such as exchange or study abroad programmes.

In 1999, Parsa from South Bank University, London, conducted an international survey including 186 academics and 107 real estate professionals in 16 countries. It was found that most of the responding professionals did not have the opportunity of taking international real estate classes as part of their education and that international real estate only took a minor role in many of the academic institutions the academic respondents came from (Parsa, 1999). Given the great potential of real estate exchange programmes and studies abroad in the light of an internationalisation of the real estate markets, the current supply is unsatisfying. The situation for study abroad programmes is slightly better, which can be attributed to the lower requirements for a one sided exchange, especially regarding language barriers and entrance requirements (for instance the General Management Admission Test - GMAT -and the Test of English as a Foreign Language - TOEFL). The two prerequisites, academic reputation and removal of language barriers, could serve as catalysts in the development of a multitude of study abroad and exchange programmes in the real estate education. The more national educational institutions act accordingly, the more real estate education will be able to reflect the development of real estate markets and to provide adequate knowledge and capabilities.

In the light of the different impediments found, nobody can tell today how successfully real estate education will be able to meet the demand for international knowledge and expertise. While it might not be able to do so in the nearest future, a constant academic endeavour will be necessary to deal with limitations that can be and that have to be overcome.

6. IMPLICATIONS FOR THE PROMOTION OF THE INTERNATIONALISATION OF REAL ESTATE EDUCATION

As different countries emphasize different fields of real estate education it is useful and necessary to exchange knowledge between countries. As pointed out before, an effective way

to do so is the establishment and intensification of cross border academic cooperation. Broadening the scope of knowledge and experience with foreign academics, students and professionals also improves the career perspectives of graduates. The overall willingness of real estate educational bodies to foster international co-operations becomes evident in the e-mail survey: 87 % of the respondents are interested in international co-operations between universities. The exchange of academic staff seems to be the most appealing type of cooperation (74 %), followed by study abroad programmes (60 %), student exchange programmes (52 %), joint degree/diploma programmes (45 %), field trips (43 %) and summer schools (40 %). On the one hand these results clearly point out that the vast majority of educational bodies is aware of the need for international educational cooperation. On the other hand the survey revealed that only a minority of 38 % of the non-English speaking countries offer real estate curricula with classes taught either primarily or at least to a certain extent in English. In conclusion, increasing the proportion of real estate classes taught in English will help to remove language barriers and thereby could serve as a powerful means of developing and intensifying a multitude of cross-border cooperation programmes in real estate education.

Another way to promote international exchange and study abroad programmes could be provided by international accrediting bodies of collegiate real estate programmes if the latter required a certain extent of international aspects to be included in accredited curricula. The accreditation by internationally recognised bodies would imply a gain in reputation for the respective institution and, therewith, facilitate the establishment of international partnerships and alliances among educational real estate organisations as the mainly Anglo-American accrediting institutions play a fundamental role in ensuring the appropriateness of course contents and promote continuous improvements in education. Two main bodies for accreditation of real estate programmes are the Society of Accredited Real Estate Programmes (SAREP) and the Royal Institution of Chartered Surveyors (RICS) both of which demand from their member institutions the submission to demanding accreditation standards. The Society of Accredited Real Estate Programmes (SAREP) was established in 1998; it is the main body for the accreditation of real estate programmes and currently includes six universities. Its definition of body of knowledge is broad in scope and does not prescribe specific course contents as long as the applicant is real estate related and fulfils the requirements in seven key areas of accreditation (Isakson, Rabianski and Schulte, 2003). The Charter Membership provides an excellent opportunity of signalling academic quality and greatly facilitates the search for new partners in international real estate education. The RICS represents a strong self-regulating body for the property profession in the UK. In the beginning of the nineties, the RICS started to expand their accreditation activities to other European countries and accredited the European Business School as the first institution in Continental Europe. Given the fact that the RICS has continued to expand its activities around the globe with national or regional associations in over 50 countries, the organisation seems well positioned to play an important role in the promotion of international real estate education. As a non-profit organisation, the RICS is funded by its personal members and accredits universities that deliver an education suited to academically qualify real estate professionals for the membership in the RICS. Consequently, it focuses more on a minimum set of competencies required to become a Chartered Surveyor, which would allow fostering

courses relating to international real estate. As Parsa noted, a large number of respondents to his survey argued, “that the RICS has a fundamental role to play in ensuring that appropriate standards in course design and content are developed in relation to international real estate” (Parsa, 1999). The accreditation from the RICS expresses a high academic standing of the respective institution, reason why many American universities currently are striving to be accredited.

A third way to foster the internationalisation of real estate education is to increase the proportion of departments and faculties that cover foreign countries from a real estate perspective. Although about the half of the respondents cover to some extent foreign real estate markets, this proportion will not be sufficient to adapt to the ongoing globalisation of the real estate industry and its need for internationally educated real estate graduates. For the future it will be vital to continue to monitor the state of internationalisation of real estate education to ensure that universities offer effective real estate knowledge needed in the 21st century. It will be of particular importance to examine the effects of the adoption of bachelor and master degrees in Europe (Bologna Process) and in other countries of the world on real estate education. In addition, it should be closely monitored how innovative teaching methods, such as distance and e-learning, can make a contribution to enhance the quality of international real estate education.

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