

ADVANCING AFRICA

Of Africa's 60 MBA programs, most are struggling and few are accredited. Making Africa's business schools strong and competitive, however, may be one key to unlocking the continent's rich economic and academic potential.

The United Nations held its World Summit on Sustainable Development in Johannesburg, South Africa, last August and September. More than 8,000 delegates from 925 international organizations debated a number of factors that affected Africa's development: globalization, poverty, HIV/AIDS, health care, debt relief, deforestation, technological access, municipal infrastructures, corruption, war, and women's rights. The delegates discussed the policies of the International Monetary Fund and the World Bank, the legacy of colonialism, slavery in Sudan, and land redistribution in Zimbabwe. In all their discussions, however, very little attention was paid to the issue that may be most important to the development of African nations—modern advanced management education.

by **Richard America**

illustration by Chris McAllister

Why should Africa's management education network take precedence over other such forces as globalization, technology, and health care? Simply put, because, in many ways, it affects and encompasses them all. African development has been slowed by gaps in management training. As a result, the public sector is often mismanaged, while private enterprise is stymied by a lack of well-trained modern senior and middle managers.

Many scholars agree that the development of Africa's economy relies on the strength of its private and public sectors. Management education may be the key to accelerating the development of Africa's competitive small- and medium-sized enterprises and enhancing its entrepreneurial culture. With the right partners and support structures, some scholars say, many of Africa's 60 full- and part-time MBA and executive MBA programs can improve their teaching, research, community service, and consulting. As a result, their programs will become more competitive and their graduates more prepared to tackle local and global economic realities.



A Vast Landscape

Eon Smit, director of the University of Stellenbosch in the Republic of South Africa, is very aware of the problems Africa faces, but he recognizes that no one country faces exactly the same set of circumstances. "It's difficult to generalize about Africa," he says. "It's a large and heterogeneous continent consisting of countries with divergent histories, resources, degrees of political stability, and opportunities."

Even so, most African countries do share one circumstance in common. They have a wealth of natural resources. However, their most valuable commodities—their people—are severely hindered by poverty, governmental restrictions, technological isolation, and—in recent years—AIDS.

"AIDS is completely undermining the local economies,"

says Debora Spar, a professor at Harvard Business School in Cambridge, Massachu-

setts. Spar, who studies the effect of political environments on international commerce, has done research on the African AIDS crisis, the democratization of South Africa after apartheid, and the resurgence of the economy in Botswana. "AIDS is killing a third of these countries' most productive people, it's creating millions of orphans, and it's scaring off foreign investors," she says.

Attracting investors, agrees Smit, is one of Africa's most important challenges. "Although rich in natural resources, Africa is severely constrained by the lack of economic devel-



A Ten-Year Commitment

Over the past two summers, I have visited a number of MBA programs in Africa including those at the University of Ghana and the Ghana Institute of Management; the University of Nairobi and United States International University in Kenya; the University of Namibia and the Polytechnic in Namibia; and Makerere University in Kampala, Uganda. I've exchanged extensive e-mail correspondence with the deans and faculty at Nigeria's Lagos Business School, Tanzania's University of Dar es Salaam, South Africa's University of Cape Town, and others. With each visit and each conversation, I have become more certain that the development of graduate business education may be one of the most important factors in the development of African countries. Graduate business education can prepare generations of modern managers and problem solvers to bring all of Africa into the first-world economy.

Advanced management training and graduate business education in Africa are ready for at least ten years of concentrated, dedicated assistance from the international business and business school communities. African business schools need support especially in these areas:

Finding resources. The economic picture for these schools is clouded by the fact that too many national governments are still limiting the autonomy of these schools. Tradition and politics have compelled many schools to retain policies of free university education, even though they need to be able to charge tuition and fees. Such revenues would help schools to advance. Even so, they also would need an influx of outside resources not simply to survive, but to thrive. Major perma-

nent endowments are needed from foundations, corporations, organizations, and individuals concerned about the success of long-term development. On average, the schools need about \$10 million each in private permanent funds to allow them to go forward with plans and free them from political interference. This additional funding also would encourage competition and cooperation by allowing schools to reward faculty for performance, not entitlement.

Building an association. Several attempts have been made to create an African Business Schools Association. So far, these attempts have failed, but a new initiative is now in the planning stages. Once it's up and running, I believe it will spark continental change. In addition, it will facilitate participation in international accreditation and continuous improvement. It also will accelerate the capacity of schools to offer top-quality teaching, ongoing research and consulting, executive education, and other short-term, custom courses for the business community.

Creating partnerships. My discussions with leaders in African business education have underscored their concerns about business ethics and their eagerness to participate in international management education activities, conferences, and seminars. They also want to host an annual specialized conference in Africa to stimulate continuous improvement. And they intend to conduct a rigorous survey to evaluate the state of graduate management education and build a useful database. They want to evaluate their thesis policies. In these areas, they want partners to help them achieve their goals.

A professor at the University of Nairobi told me that the school already has made great strides in securing its own financial future by shifting from a free education system to a tuition-driven system. "We have fooled the skeptics who did not

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opment. Inadequate access to the capital markets of the world places real restrictions on development,” he says. “This will not change until the continent becomes much more investor-friendly. Political instability, corruption, and inadequate infrastructure need to be addressed before substantial investment will flow toward the continent.”

MBA programs operating in Africa also face myriad problems but share one common hardship—a lack of economic and academic investment. In fact, the tension between economic and academic concerns often leaves academia on the periphery, says Brent Chrite, the managing director of the William Davidson Institute at the University of Michigan Business School in Ann Arbor.

Each African country is faced “with the challenge of

believe students would want to pay personally for education that had previously been free from the state. Paying students have given this school a facelift. That kind of private initiative of private universities has to happen all over Africa,” he said, “but we still need more outside resources to upgrade—to wire the campus and dormitories, for example. We also have a new Ph.D. program and a journal of management, but these need resources to reach their potential. The government is interested but has not come forward with the necessary funding.” The school cannot achieve its goals on tuition and fees alone, he added.

The international community may be able to help these educational institutions fulfill their potential. The United States, Europe, Asia, and the rest of the global community can help African economies move smoothly toward fully functioning free markets with transparent business practices, clean and effective corporate governance, democratic and rational regulations, and reduced conflict. To achieve these goals, however, requires a substantial commitment from international organizations such as the World Bank, major foundations, major corporations, and business schools.

A ten-year commitment of time, money, and scholarship to African markets could have a huge impact on the development of Africa and would engage us in partnerships to build stronger graduate business schools on both sides of the ocean. These ten years represent a fabulous challenge and opportunity to those interested in Africa, its development, and its management education potential. The benefits such scholarship offers—from fresh research, to ongoing community service, to a truly global economy—are immeasurable.

—by Richard America

preparing people for the ability to earn a living versus contributing to the overall intellectual vitality of the nation,” says Chrite. “Half the citizens are living on half a dollar a day. Add to that the burden of AIDS, the need to intervene on local violence, and the need for people to really achieve a basic standard of living, and higher education is certainly not a huge priority in the grand scheme of things.”

Some, however, maintain that it is short-sighted to believe Africa’s other pressing issues overshadow the importance of management education. In fact, management education is one other true constant among the diverse African nations. Business schools are in the position to create a workforce not only trained to jump-start the private sector and emphasize corporate governance, but also to streamline health care and create more effective governments.

Educational Support

Just as foreign investors may shun Africa because of its instability, so do many business schools in the broader international community. The expense involved in setting up programs, partnerships, and educational exchanges can often be a deterrent, says Spar. “The level of expertise on Africa is very low. This is especially true among business schools, at least those in the U.S.,” she says. “It’s simply an area that has not been targeted. Doing that kind of research is expensive and doesn’t have an obvious, immediate payoff. It’s much more difficult and much more expensive to fly to Nigeria than to London.”

Investment of intellectual capital is sorely needed, adds Spar. Although a few business schools in Africa are private or quasi-public, most are state-supported. These schools all show the wear and tear that accompany years of under-funding. Their facilities need upgrading, their computers and other equipment require repair and maintenance, and their faculty, not surprisingly, are underpaid. As a result, most faculty members must moonlight to augment their incomes.

These conditions make academic advancement extraordinarily difficult. Between their teaching loads and their second jobs, faculty members in many African business schools don’t have the time to do significant research. In addition, the turnover rate is high, as many leave for jobs in the corporate sector, says one dean. “Because the skills of business school faculty are in high demand in the private sector, too many of the best faculty are lured away to better paying corporate jobs,” he says. “Guest lecturers are popular, but we use them too much.”

Newer MBA programs do stress excellence and are less hindered by external, politically motivated interference, says

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George Harley, a former minister of transport in Ghana, a Harvard Business School graduate, and a former faculty member at the University of Ghana’s business school. While many programs have compelling concepts and newer approaches, he says, they often lack resources to put these concepts into practice.

“In Africa, we have a great need for ethics and transparency in business, for accountability training and continuous retraining,” says Harley. “There are a few MBA programs here, but most are mediocre. The teaching is still too theoretical and relies too heavily on textbooks and lectures. Pedagogy needs to move more toward hands-on consulting experiences and cases. We need more faculty with real-world experience.”

Faculty and student exchanges are only a partial answer to this dilemma, says Spar. She points to a need to develop modern educational programs and long-term, committed partnerships. For example, Harvard Business School plans to launch an executive education program in partnership with a number of African universities, she explains.

“It will follow a curriculum devoted to the idea of defining the roles of the civic, public, and private sectors; they’ll explore how to make sustainable markets that work,” she says. “A program such as this is much more cost-effective than to fly Harvard faculty over there consistently, but still develops greater capacity in African universities, which have been suffering from ‘brain drain’ for quite a while.”

The University of Michigan Business School is also ramping up the involvement of its students and faculty, especially at the level of small- and medium-sized enterprises. It deploys MBA student teams to corporate partners operating in Africa. The students stay for four to five weeks at a time, working with student teams from African business schools, explains Chrite. “We have an eclectic mix of projects. Most recently, we did a national-level cluster analysis for Namibia’s ministry of trade and industry,” he says. “The purpose of the analysis was to define strategic business clusters that were consistent with the country’s assets that would help enhance its international competitiveness. We found that tourism and small-scale mining were two areas where Namibia could really thrive.”

Students who participated in this learning opportunity also accepted an extra challenge that other international programs might not present. Not only did they do research, analyze data, and propose viable business models, says Chrite, but they often acted as mentors, teachers, and project man-



agers to bring the other students on board. Making that extra effort “is part of the deal,” says Chrite, “but it’s also part of the fun.”

Georgetown University in Washington, D.C., is working to create an African Business School Association as well as networks of faculty by specialty. The school is also working with the World Bank/International Finance Corporation and the U.S. government

to direct additional funds to African business schools to help them become fully effective and internationally recognized.

Such commitments of time, resources, and expertise benefit not only African economies, but also the global intellectual community, emphasizes Spar. “If you want a laboratory to study why development works in some countries and not others, if you want to look at issues of transition from one ideology to another, just look at Africa,” she says. “Just look at South Africa’s survival of the transition from pre-apartheid to post-apartheid rule—the lessons you can take away from that are incredible. Just look at the great leaders of Africa, such as Nelson Mandela; Abdoulaye Wade, the president of Senegal; or Paul Kagame, the president of Rwanda. We don’t know enough about these incredible leaders.”

More Success Stories

A few business programs in Africa are already on their way to reaching competitive stature in the global business education community. A very few schools have earned accreditation—the University of Stellenbosch’s Graduate School of Business, for example, has received accreditation from both EQUIS and AMBA. Others, like the Ghana Institute of Management and Public Administration (GIMPA), are well-funded, have modern facilities, offer effective programs, and have a bright future. The dean of GIMPA, Stephen Adei, is proud of the school’s accomplishments. “I want visitors to look at this operation and say, ‘Is this really Africa?’” he says, adding that the school is not yet ready to pursue accreditation. “But we will be soon,” he says. “And when we start the process, I expect we will succeed.”

GIMPA’s success story, though, is more the exception than the rule. It will require not just a few, but many business schools to provide a foundation of management skills for this vast continent—and to start a true continental transformation. That transformation will most likely begin with the stronger business schools of South Africa, says Smit of the University of Stellenbosch. “South Africa is a fairly well-developed country

with an excellent infrastructure, a first-world financial sector, and some great tertiary institutions with long traditions of excellent scholarship. However, apartheid opened up a void between South Africa and the rest of Africa,” he says. “Our efforts today are aimed at closing these gaps and playing our rightful role amongst the people of Africa.”

The University of Stellenbosch is taking this role seriously, says Smit. This year, it will take its MBA degree first to Nairobi, and then to other West African countries. The school also plans to hold shorter business programs in Namibia, Botswana, and Tanzania. Its African Centre for Investment Analysis focuses on African capital markets and organizes an annual African Investment Conference attended by business leaders and politicians from across the continent.

The challenge of strengthening the network of management education institutions in Africa is formidable, says Spar. “We can look at the task and say it’s too daunting, or we can accept that it’s daunting and start chipping away at it bit by bit. Clearly, that’s the right road to go.”

Spar would like to see the same interest in Africa’s markets that China inspired a few years ago. “There was a rash of case writing on China, which was terrific,” she says. “It would be wonderful if we saw the same thing for Africa. African economies may not represent the same kinds of immediate business opportunities as China did, but the learning opportunities it presents are tremendous.”

The learning opportunities Africa offers may very well be its greatest gift to the global business education community. Africa’s history is rich, although its pressing problems have kept it somewhat disconnected from the global marketplace. Africa’s progress in solving those problems, and more, depends on building institutions that will produce cadres of effective, ethical, entrepreneurial managers. Strong management education institutions can enrich their local business environments by emphasizing good corporate governance, high business ethics, anti-corruption practices, conflict resolution, negotiation skills, and creative entrepreneurial management for small- and medium-sized enterprise development.

The administrators, faculty, and staff of African business schools say they are committed to working toward a new vision to better educate the African business community. And if they are given the right local and international support, leadership, policies, and resources, a strong, globally integrated Africa may be well within their reach. **Z**

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