Catalyzing Management Development in Africa

Identifying Areas for Impact

AFRICAN MANAGEMENT INITIATIVE
## Contents

Executive Summary ............................................................................................................. 3  
Introduction ........................................................................................................................ 8  
Purpose of this research ................................................................................................. 8  
Research Scope and Methodology ............................................................................... 9  
Research limitations ...................................................................................................... 9  
Chapter One: Why Management .................................................................................. 11  
Africa: a new frontier of opportunity ......................................................................... 11  
Managers: the engine of growth .................................................................................... 12  
The need in numbers ...................................................................................................... 14  
Chapter Two: Understanding the Management Gap, What Does It Mean? .......... 15  
Big Business: .................................................................................................................. 16  
SMEs and Entrepreneurs ............................................................................................... 17  
Public Sector and NGOs: ............................................................................................... 18  
Investors ....................................................................................................................... 19  
Chapter Three: Understanding the Management Gap, What kind of managers does Africa need? 21  
Personal drive ............................................................................................................... 22  
Planning skills and Project Management .................................................................... 23  
Ethics and integrity ......................................................................................................... 24  
Critical thinking skills .................................................................................................. 25  
Practical experience ....................................................................................................... 27  
Flexibility ....................................................................................................................... 28  
Chapter Four: Understanding the Management Gap, Organisational and Systemic Challenges ...... 30  
Middle versus Senior Management ............................................................................ 31  
Cultural Hierarchy ......................................................................................................... 33  
Operational Systems: More tools less muscle .............................................................. 35  
Low willingness (and ability) to pay ............................................................................ 36  
Rural/Urban divide ....................................................................................................... 37  
Poor pre-tertiary education ......................................................................................... 38  
Chapter Five: The Supply-side Landscape ................................................................. 39  
Business and Management Schools ............................................................................. 41  
The Middle of the Pyramid: Non MBA ....................................................................... 53  
In-House Corporate Training ...................................................................................... 57  
Other organisational enablers ....................................................................................... 59  
SME, SGB and Entrepreneurs .................................................................................... 60  
Conclusion ..................................................................................................................... 64  
Chapter Six: What works? ............................................................................................. 66  
Chapter Seven: Literature Review ................................................................................ 92
Tertiary and higher education is linked to GDP ................................................................. 92
Higher education is correlated to individual earnings ............................................... 93
Quality of management is linked to firm performance and productivity ................. 93
Business training is linked to business knowledge among micro enterprises .......... 95
Training is linked to improved organisational performance ........................................ 97
What do managers need? ......................................................................................... 98
Research on MBA programs .................................................................................... 99
Other ...................................................................................................................... 100
Areas for further research: .................................................................................... 100
Chapter Eight: Ideas for Impact ........................................................................... 101
Providers .................................................................................................................. 101
   Business School Planting: .................................................................................. 101
   Low-Cost Tier 2-3 Business Schools ................................................................. 102
   Project Management for Middle Managers ..................................................... 104
Inputs ...................................................................................................................... 105
Organisations ........................................................................................................ 106
Quality .................................................................................................................... 107
Geographic and industry focus ............................................................................. 109
Chapter Nine: Recommended Next Steps .............................................................. 110
Conclusion .............................................................................................................. 114
References ............................................................................................................ 116
Appendix 1: List of Interviewees (see separate document) ..................................... 119
Appendix 2: Interview guide ................................................................................... 119
Appendix 4: AABS Membership Criteria .............................................................. 125
Appendix 5: Country Analysis ............................................................................... 128
Appendix 6: Participating Organisations................................................................. 129
Executive Summary

Africa has the potential for real progress. It has natural resources in abundance and a young expanding population. Foreign investment is on the rise. But Africa’s economic growth, among the fastest in the world, is rapidly draining the pool of local managers. These are the very people who are vital for translating opportunities into tangible results, increased competitiveness and a better life for all.

This report by the African Management Initiative – formed by the Association of African Business Schools, the Global Business School Network, the Tony Elumelu Foundation and the Lundin Foundation – draws on interviews with over 50 experts and employers, and dozens of secondary resources, to understand the management gap from an individual and organisational perspective. It maps Africa’s existing education and training landscape and identifies pockets of excellence. It illustrates that the current management development ecosystem is insufficient to meet the requirements of Africa’s buoyant economies, and presents ideas for intervention and recommendations for next steps.

The need

Organizations typically employ one manager for every 10 workers. On that basis, we estimate that Africa’s formal labour force of 111 million includes approximately 11 million managers. To entrench the practice of good management, we need to ensure that at least 1 in 10 of them - over 1 million managers – are fully equipped with the knowledge needed to drive the continent’s next phase of development.

According to employers, we are far from reaching this goal. Our interviews on the demand side show that only a minority of African managers, particularly at mid and lower levels, are well-trained. Large businesses, entrepreneurs, investors, NGOs, educators, training providers and consultants from across the continent speak of poor management, of a disconnect between theoretical knowledge and on-the-job behaviour, of companies struggling to find the people to launch their brands in new markets, of entrepreneurs battling to identify the employees to help them grow. They all cite an acute shortage of quality managers as a major bottleneck for growth.

The research indicates that the biggest need is in the middle of the organisational pyramid. Interviewees cite a huge gap between senior executives, who enjoy the benefits of international business schools and work experience, and a much less able engine room of middle and lower level managers.

---

1 The research was largely qualitative. Results are therefore based on the perceptions of interviews not on empirical survey-based evidence.
2 ILO statistics, excluding informal or vulnerable jobs. From KILM anlaysis: http://kilm.ilo.org/kilmnet/
Managers. This gap leads to execution problems. We clearly need more programs and institutions addressing this segment of the market.

However focusing on training the individual middle manager will not be enough. The research also shows that many African organisations are hierarchical and constrained by ‘Founder’s Syndrome’. Therefore we also need programs to coach senior leaders in developing the organisational culture systems that allow their own managers to flourish.

Finally, we asked employers what kind of skills and qualities they required from managers, and which were most lacking. They highlight the following:

1) Personal drive
2) Planning skills
3) Ethics and integrity
4) Critical thinking skills
5) Practical experience
6) Flexibility

We will therefore need to ensure that any new programs and institutions concentrate on cultivating these skills and attributes.

The landscape

Our supply-side landscaping survey shows that Africa’s existing management development ecosystem is patchy at best. Africa has roughly 90 business schools offering an MBA – 1 per 11 million people. That compares to more than 1,500 MBA-offering schools in India. Fewer than 10 African institutions measure up to international standards. While South Africa and parts of North Africa are strong, Central and West Africa are woefully underserved. Only the largest companies provide in-house training. There are a handful of good schools at the top of the pyramid, but not enough. A few effective SME training programs have emerged at the bottom, although they have struggled to find scalable and sustainable business models. In the middle of the pyramid, the picture is particularly bleak. Many local business schools are low-quality, overly academic and out of step with the requirements of fast-growing African economies. The non-academic management training market is fragmented and of a generally low quality. Critically, it lacks any mechanisms for setting and measuring quality standards. We urgently need high-quality and affordable institutions and programs at this level, which can also reach rural and underserved urban areas.
What works?

Despite the generally bleak picture, we identify pockets of excellence across the management development ecosystem in Africa and other emerging markets, from world-class business schools to entrepreneurship training programs, to creative in-house corporate programs. While they serve very different markets, we identify shared common properties. Excellent programs and institutions tend to be:

1) Entrepreneurial
2) Interactive (they cultivate communities of learning)
3) Practice-based
4) Relevant to local economies
5) Accessible (which includes affordability)
6) Aspirational (trusted and high-quality)
7) Have clear Perceived Value (usually clearly linked to the potential for improved earnings)
8) Connected

Many of the examples of excellence cited in the report exhibit most if not all of these characteristics. They could offer a useful framework for designing Greenfield management education and training projects, and for guiding improvements at existing institutions.

What needs to be done?

The research indicates that more of the same will not be enough. We need new models for management education and development rooted in African realities and with potential for real scale. The report presents a model for understanding the management development ecosystem, and points to four areas of possible action:

a. **Inputs**: Developing high-quality combined offline and online curricula and materials; providing faculty and facilitator training and facilitating resource-sharing between institutions.

b. **Providers**: Supplying templates for creating more top-tier business schools. Piloting or franchising more accessible programs, such as a highly practical ‘Introduction to Management’ course for lower and middle managers. Finding and developing new delivery channels and supporting existing providers.

c. **Organisational enablers**: Strengthening companies and organisations through in-house methods such as mentoring and performance management systems.

d. **Quality Assurance**: Developing quality assurance mechanisms, possibly through a ‘register’ or ‘network’ which could benchmark individuals, organisations, educators and training providers against a scorecard of best management practice.
Conclusion

A much larger pool of competent local managers is absolutely essential for driving competitive African private and public sectors, for cultivating knowledge-based economies and for achieving development goals. A bold systemic approach is needed to build a critical mass of Africans managers, supported by high-quality schools and resources, and working in dynamic organisations that allow talent to flourish. AMI is charting a path toward achieving these goals.
Introduction

"Africa is transforming in a way no one thought possible 20 years ago... and suddenly a whole new future seems within reach." - David Cameron, UK Prime Minister

Africa appears to have reached a turning point. Once dismissed as a hopeless continent beset by war and famine, it is now frequently touted as the next frontier for opportunity and investment. Africa has an abundance of natural wealth and a young and fast-growing population, and GDP growth has outpaced many other regions over the last decade, driven in part by rising commodity prices, but also by growing domestic demand and increasingly sophisticated local markets.

If the continent is to capitalize on this potential, it will require managers with vision and competence who possess the personal drive, commercial acumen and technical skills necessary to develop successful and healthy institutions. While Africa boasts a few excellent schools of management and some good corporate training initiatives, the overall efforts to develop high quality managers are entirely inadequate to meet the opportunities the next few decades will bring. More young Africans are pursuing higher education, but too often the quality is low. Organisations across sectors struggle to recruit staff with the skill to manage and implement their vision. Too often, organisations fail to mentor and develop young managers. The people interviewed for this report told stories of large multinationals struggling to find local managers they can trust to establish their brands in new markets, of entrepreneurs battling to build the team to catapult their business to the next stage of growth, of NGO leaders unable to transform communities because they lack the people to execute their vision, and of investors wondering if their investee companies have the skills to deliver required returns. Each group emphasised different dimensions of the problem, but virtually all of them cited a lack of management capacity as a serious constraint to growth. As one senior management consultant put it, when asked to talk about the challenges his clients face in establishing and building strong management teams: “We’ll be here all day. Can we talk about the challenges they DON’T face?!”.

Purpose of this research

The next few decades are critical if the continent is to create the economic and institutional bases for a prosperous future. Equipping a cadre of high-quality managers is essential, and urgent. We need organisations to commit to developing managerial talent, and managers to commit to
developing themselves. We also need more institutions, of a higher quality, backed by relevant content, to reach more people.

This report aims to provide a high-level survey of how management talent in African can be strengthened. Chapter 1 explores why management is important and how is it relates to competitiveness and growth. Chapters 2-4 draw on desktop research and primary interviews to understand the demand side of the equation in more detail: what does the management gap look like for different types of organisations? What kind of managers do organisations require? What kind of organisational and systemic challenges do we face in addressing this problem? Chapters 5-6 then shift to the supply side. We survey the landscape, map the management development ecosystem and identify areas where the gaps are most critical, then examine what has worked well previously, identifying the core characteristics of successful programs, and including different models for scalability and financial sustainability. Chapter 7 provides a brief overview of the literature on management development. Chapter 8 presents some potential recommendations and ideas for impact. Chapter 9 lays out recommended next steps for strategic action and further research.

**Research Scope and Methodology**

This report drew on secondary data from academic literature, reports from development institutions and online information about existing programs and institutions. Primary research was also conducted to understand the nature of the management gap in more detail, and to generate ideas for how it could be filled. Over 50 in-depth interviews with individuals were conducted at 40 organisations including employers, educators, thought-leaders, training providers, consultants, investors and entrepreneurs working mostly in Africa and other emerging markets. A snowball sample was used, with each respondent asked to recommend other potential interviewees. Interviewees have been described according to type of organisation in the text. In all cases, interviewees were senior executives and/or organisational development and leadership specialists. See Appendix 1 for a full list of interviewees.

Most interviews lasted 45-60 minutes and were conducted over the phone. A few were conducted face-to-face. An interview guide was formulated with input from research advisors (see Appendix 2). Content analysis was used to identify key themes. For the overall findings, the primary data was triangulated with secondary data – both quantitative and qualitative.

**Research limitations**

The scope of this report was extremely broad and it therefore arguably lacks depth. Ideally the findings should be tested using a much larger and more representative sample, perhaps with different sets of questions for each stakeholder group. For this study, efforts were made to ensure
representation from multi-national companies, large regional and national companies, small and medium-sized companies, start-ups and investors. However the sample was skewed toward larger businesses. Inevitably, respondents were concentrated in the main economic hubs of Lagos, Nairobi and Johannesburg, although efforts were made to include representatives from other countries such as Ghana, Rwanda and Zambia. North, francophone and lusophone Africa were not adequately represented and the sample was largely urban rather than rural. The public sector was not represented.

It should be noted that these findings are largely based on the perceptions of interviewees, and should be treated as purely indicative. The findings around smaller businesses and start-ups and on the middle of the training market in particular would benefit from further research. If we require empirical evidence of the lack of quality middle management and lack of quality training, we will need to pay for external survey-based research.
Chapter One:

Why Management?

Africa: a new frontier of opportunity

Africa is changing and the world is starting to notice. Average GDP rose more than 5 percent per year from 2000 to 2008, twice the pace of growth in the 1980s and 1990s and faster than most other world regions. Equity markets have outperformed their counterparts elsewhere\(^3\), and foreign direct investment (FDI) increased to $53 billion in 2008 from just $2.3 billion in 1985, driven by political stability, macroeconomic reform, improved governance, a better business climate and interest from emerging market powerhouses China and India\(^4\). Growth has also been fuelled by the commodity boom: Africa is home to 10 percent of the world’s oil, 40 percent of its gold and 20 percent of its land\(^5\). But other sectors are also thriving. Telecommunications, banks, infrastructure and manufacturing have expanded rapidly in recent years, and a young, fast-growing population is contributing to increased collective purchasing power. A consumer class is emerging, and by 2020, more than half of African households are expected to have discretionary buying power\(^6\).

The Economist cover story headline on December 3 was ‘Africa Rising: The Hopeful Continent’\(^7\). Compare that to its Africa cover story 10 years earlier: ‘The Hopeless Continent’. Set against the backdrop of a moribund global economy, African progress is remarkable, and its potential is alluring.

---


\(^5\) BCG, 2010

\(^6\) McKinsey, 2010

\(^7\) The Economist, Africa Rising – The Hopeful Continent, 2011
Managers: the engine of growth

The headline figures, however, mask deep disparities in wealth and development. Poverty is still widespread and the continent lags on most development indicators. To reach a new plateau of prosperity, African countries must seize a greater share of world trade through increased competitiveness and economic diversification. That will require a competent, confident and creative workforce. By 2040, Africa will be home to one in five of the planet’s young people, with the world’s biggest workforce at 1.1 billion people\(^8\). This represents a huge opportunity, but only if the skills base is radically upgraded. The World Bank argues that human capital is the “stepping stone to a viable and growth-promoting industrial system”\(^9\) for Africa, and is needed to spawn new industries, create more productive jobs, to absorb technology, generate innovation and produce a wider range of exports. And in an interdependent and globalized world, only those countries with “large and rapidly expanding stocks of human capital” will be able to compete.\(^10\)

While African countries arguably require a skills upgrade across the board, managerial skills are of particular importance, given that institutional management is the cornerstone of a successful modern economy. This will be the focus of this report.

Managers are the engine of growth, and establish the institutional mechanisms that create prosperity. Good managers go on to lead companies, NGOs, government departments and sometimes nations. The 2011 Africa Competitiveness Report cited managerial skills as one of four key levers for improving the continent’s competitiveness\(^11\), and the International Finance Corporation argued when the Association of African Business Schools was formed that high-quality managers are required for institutional strength and that “the quality of a country’s or region’s managerial class is a key factor in determining competitiveness.”\(^12\)

In short, managers take resources (including human and natural resources, both of which Africa has in abundance) and opportunity, and convert them into impact and competitiveness, at both the firm level and the country level:

\(^8\) McKinsey, 2010
\(^10\) World Bank, 2009
\(^11\) WEF, 2011
At a micro level, good managers are needed to build vibrant companies that create jobs. In a recent report on Africa’s ‘emerging corporate champions’, Boston Consulting Group identifies five success factors which have allowed successful companies to move up the ladder toward becoming global players. One of those is boosting their human capital. It urges African firms to invest in talent through developing corporate universities and working with business schools to develop relevant curricula\textsuperscript{13}. At the firm level, organisations in Africa are already acutely aware of the management gap. Many are enjoying rapid growth in African markets, but simply cannot find high quality people to manage that growth. Edmundo Vallejo Benegas, former CEO of General Electric, Latin America, recently described a “huge imbalance” in emerging markets between the opportunity and the availability of talent – both in terms of quantity and quality\textsuperscript{14}. At a recent investment banking summit in Lagos, CEOs described a fierce war for managerial and financial talent on the continent\textsuperscript{15}. Meanwhile, Unilever’s head of human resources for Africa commented that as its African business expands, it is “not confident that talent is there to service our growth\textsuperscript{16}”. That sentiment was echoed by virtually all respondents interviewed for this report.

The management gap is not just a private sector issue. Managers also create the capacity required to absorb aid and other resources. Managers lead efforts to fight disease and climate change. They

\begin{itemize}
\item Build vibrant companies that create jobs
\item Create the capacity to absorb resources
\item Drive development
\end{itemize}

\textsuperscript{13} BCG, 2010
\textsuperscript{15} Reuters, Africa growth brings local-born bankers home 2011
\textsuperscript{16} Financial Times, Leadership Lessons in Africa, 2011

---

Figure 1.1: The role of managers

![Diagram showing the role of managers in building vibrant companies that create jobs and drive development through resource absorption and capacity creation.](image-url)
implement policy changes and run the institutions that deliver change. While managerial skills have largely been ignored by the development community, the World Bank notes that they in fact underpin all of the Millennium Development Goals, and that without investment in human capital, African countries will fail to narrow the economic gap with other developing regions. Managerial skills should therefore be placed squarely on the development agenda.

The need in numbers
According to the International Labour Organisation (ILO), 28 percent of the continent’s 392 million labour force has a wage-paying job (excluding informal and vulnerable jobs), which equates to about 111 million people. Assuming a management-to-worker ratio of 1:10, there should be at least 11 million people in Africa in managerial and supervisory roles (this does not include the hundreds of millions of people in temporary or informal jobs who still need to be managed). Any attempt to substantially improve the quality of management in Africa will have to reach one in ten of those managers: over one million managers. The existing management development ecosystem is woefully under-equipped and insufficient for this task.

Conclusion
Good managers are crucial for driving Africa’s next phase of growth and development. This chapter illustrated WHY management is important, and argued that we will need to reach 1 million individuals to have real impact on the level of management across the continent. The following chapters provide insight into what kind of managers Africa requires.

Labour Force: 392 million
Workers in formal wage-paying jobs: 111 million
Managers: 11 million

1 million well-trained managers

18 World Bank, 2009
19 ILO statistics. KILM analysis: http://kilm.ilo.org/kilmnet/
Chapter Two:

Understanding the Management Gap: What Does It Mean?

We know that ‘good management’ in general is important. But how do African organisations perceive the management gap, and what does it mean for them? We posed that question to four groups of people on the DEMAND SIDE of the management gap issue:

1) Big Business
2) SMEs and Entrepreneurs
3) NGOs
4) Investors

Across the board, the picture was gloomy. Large multinationals and pan-African regional companies described how, faced with the twin challenges of fast growth and a dearth of local talent, they are forced to import managers from overseas. When they do invest in developing local people, they are too often poached. Entrepreneurs trying to catapult their business to the next stage of growth described how they struggle to attract the people to help them make their dreams reality, and too often end up trying to do everything themselves. NGOs cited a lack of human capacity as one of the top constraints for expanding their impact, and said they struggled to meet donor demands for professionalization. Investors said they were keen to pump money into the continent, but that often finance needed to be accompanied by extensive managerial support, which too often renders smaller deals unprofitable.

<table>
<thead>
<tr>
<th>What Does the Management Gap Mean for You?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Big Business</strong></td>
</tr>
<tr>
<td><strong>SMEs/Entrepreneurs</strong></td>
</tr>
<tr>
<td><strong>Public sector/NGOs</strong></td>
</tr>
<tr>
<td><strong>Investors</strong></td>
</tr>
</tbody>
</table>

Table 2.1: What does the management gap mean for you?

---

20 The sample for NGOs was small, and will need to be expanded for a more complete analysis.
This chapter draws on the interviews conducted to examine in more detail what the management gap means for each of these groups of people.

**Big Business:**

1) **Dependence on expats**

Multinationals and pan-African regional firms have relatively deep pockets and strong brand power which should arguably position them well to attract the cream of a very small crop of good managers. Yet given the pace of growth in many African markets, alongside the dearth of local talent, all interviewees from this group said they still struggled to find good managers across levels, and often imported expatriates for senior positions.

*International consumer goods firm:* There is a lack of strong talent, which means our country managing directors are almost always expats, so are heads of manufacturing, sales, distribution.

*South African food group:* There’s a huge management gap in the markets where we operate. If we try to source managers and leaders in the local market from outside the company, it’s difficult to find good people. It’s not easy to find good talent even within our operations.

*Nigerian bank:* We often have to expatriate people even at a very low level. Today we even had to move bank tellers from Cameroon to Chad. Most of our CEOs operate in countries that are not their own.

*International professional services firm:* With the increased interest of Chinese companies in Africa, we find that there’s a strong business case, but a real lack of experience and expertise, which means that promotions to higher levels have been faster, and not always underpinned by the same experience or expertise that a South African (or western) partner would have.

*International media company:* In Africa, our managers still come mostly from the outside. Finding the necessary skills is a challenge. We don’t WANT to hire foreigners, we really want to hire locally, but the fact that we still can’t is really a mark of the fact that those people aren’t there.

2) **Fierce competition: Train and Poach cycle**

While many multinationals source senior managers internationally, most also strive to generate their own talent, partly due to indigenisation laws in some countries, and partly for cost and business-related reasons. Some work hard to attract Africans from the Diaspora. They often invest heavily in young managers, putting them through sophisticated internal training and development systems, sometimes including overseas courses. Some said they were starting to develop a pipeline of local leaders, but others said good people were too often poached by rivals or local companies. The supply-demand imbalance meant well-educated young managers sometimes lacked drive because a good job came too easily, while others noted that skilled managers were simply overpriced, especially given that they usually needed further training anyway:
International consumer firm: We are trying to limit the number of expatriates, and I think in a generation to come our programs will have developed that pipeline of talent.

Nigerian foundation: As soon as someone is trained, someone else grabs them. It’s not that no one wants to train, it’s that you spend a lot on training then you lose them. It’s a tough cycle, and we have to find a way to break that cycle.

Pan-African mobile telecoms provider (Rwandan office): There is no competition for the job, so there is then complacency.

Nigerian bank: When we started we did not have a pipeline, so we targeted (our banking rivals)... Now we are building our next generation of CEOs – they are sent to do attachments in different countries. So in another 2-3 years we hope we won’t need to be sourcing our CEOs externally, we will have home-grown CEOs which have our organisational DNA, and can model our values.

International media firm: In the rare cases where we can find good people, they are in such demand that either we can’t afford them, or they can afford to take it so easy in a senior post because there’s no reason for them to work hard.

SMEs and Entrepreneurs

1) Talent gap limits growth
Management is also an issue for smaller firms. African entrepreneurs struggle to recruit the people who can help take their fledgling businesses to the next level of growth, particularly after funding has been secured.

Zambian start-up: I think our biggest challenge will be on Jan 1 (post funding) when we need to grow really quickly and find, recruit and train really competent managers.

South African SME program: We did a workshop the other day and the entrepreneurs were saying we need someone that can manage and that I can trust, but there just aren’t the skills here. They were citing (the management gap) as a major challenge – who do I trust my baby with?

2) Compounds ‘Founder’s Syndrome’
Entrepreneurs find it particularly challenging to find the kind of self starters and all-rounders required for early-stage ventures. The risk is that this will compound the all-too-common ‘founder syndrome’ and lay the foundation for another wave of hierarchical, owner-driven companies – a major organisational challenge across Africa, which will be explored in more detail in Chapter Three.

Kenyan start-up: On the management side it’s been a challenge to get people who can lead teams well, who can take a project and make it grow. Either you find people who are smart but lack experience or who have necessary experience but struggle to come up with solutions. And that has been the case since we started. There are not many people who can get things done the way I would do them.
3) Little appetite for up-side incentives

The entrepreneurs interviewed noted that in an already small talent pool, the risk profile of start-ups was often a deterrent for managers who would prefer to work for a large prestigious firm or international NGO with a steady salary. Equity and other high-risk high-reward incentives that are commonly used to attract talent in western start-ups did not appear to be effective. Interestingly, the entrepreneurs interviewed – both Africans and expatriates working in Africa - said that, like the multinationals and regional companies, they had sometimes turned to foreigners to help build their management teams, recruiting young Westerners who wanted the experience of working in Africa and in a start-up environment:

*Zambian start-up:* “If we were in Canada, the UK or US we would have a line of people who would want to work in a startup, have a stake, develop themselves. Being in Zambia, anyone with means or education goes to work for banks, government or international NGOs. We want to expand into other countries, we won an award for best mobile startup in Africa, and I have to pinch myself to understand why people aren’t banging on our door. If you were in California the best people flock to work for startups. In Zambia there’s not a lot of jobs, but for educated people there is a lot of opportunity and working for a startup is unknown.

The gap is finding African managers that are going to be with us for 5 years, and will grow with us. There is no easy answer to this.

**NGOs:**

Our initial sample was skewed heavily toward the private sector, and interviews with organisations particularly in the public sector still need to be conducted. But initial research surfaced several interesting themes which are particularly relevant for NGOs:

1) Talent Gap Limits Impact

As with SMEs and entrepreneurs, NGOs said that their inability to recruit strong managers had a direct impact on their ability to grow, and therefore to achieve the social and environmental impact they were targeting. A recent Gordon Institute of Business Science survey on capacity building for social entrepreneurs and civil society organisations in southern African, highlighted gaps in staffing as the second most pressing issue for the sector, after financing\(^{21}\). A quarter (23.9%) of survey respondents said “attracting and retaining skilled staff” was one of the two things their organisation needed most to reach its fullest potential. Over 70% agreed with the statement: “I believe my

---

\(^{21}\) *Changing the way we do business: A scoping project on capacity building for civil society and social entrepreneurs in southern Africa*, The Centre for Leadership and Dialogue, Gordon Institute of Business Science (GIBS), 2011
organisation would truly perform better with effective training in managing and motivating staff / human resources.”

2) NGOs struggle to compete for best managers

Like big business, NGOs also find themselves trapped in a cycle where trained staff are quickly poached, and, like entrepreneurs, struggle to compete with larger employers in terms of salary and incentives.

GIBS Report:

“The one thing we need to perform even better is being able to attract people to implement our program, and then to keep them,” said one interviewee in rural South Africa.

“There are a lot of people that you work with to skill them up, and as soon as they do that, they leave. They mostly will go to government and to the NGOs that pay better.”

NGOs and activist groups in some countries found that they were able to attract top talent before political transition, but had since seen managers absorbed by government departments and increasingly the private sector.

GIBS report: “After independence, 60 percent of those working in civil society were absorbed into the new government, so there is a huge capacity gap that exists to this day,” said one interviewee in Namibia.

3) Shifting donor demands

With the demand for increased professionalism from donors, the strong majority of participants said their organisations need training in key skills, such as “monitoring and evaluation,” “media relations and communications,” “project management,” and “leadership.”

“Capacity building is very crucial. We need capacity building on managing our resources, both our funding and our staff, as well as how to produce useful materials that could be used at the grassroots,” said one interviewee in Zimbabwe.

Investors

We spoke to a major African private equity fund, as well as the African Venture Capital Association and several impact investment funds, which typically invest in local start-ups or social enterprises, to understand the challenges for investors.
1) Deal-flow Constraint
A lack of management talent represented one of the biggest constraints for deal-flow and for the performance of investee companies. The two impact investors noted that attracting talent to agricultural businesses in rural areas was even more challenging:

Pan-African impact investor: We’ve shifted our thinking from finance being the big problem, to management being the big problem. It’s hard to think of any more significant challenge in terms of realising economic potential.

Ghanaian impact investor: The biggest constraint (for our investee companies) post-investment is the shortage of talent. It’s really hard to find talented people that want to work for agricultural businesses and don’t want to work in rural areas.

2) Hands-on Involvement
Investors in African companies tend to play a hands-on role, sometimes filling the management gap themselves. They frequently extract value by becoming involved in operational issues. Inevitably, this restricts returns on smaller deals, and exacerbates the ‘missing middle’ funding problem that many small and medium size businesses experience:

Pan-African PE firm: For a private equity investor, deals are usually about financial engineering - you tweak a few things then flip the business. But in Africa you have to be more operationally involved. We are investing in fewer companies with larger amounts as an ACTIVE investor. For example, for one of our Nigerian investments, we recently redesigned the distribution network, we designed a sales incentive scheme, we centralised the procurement function. You really have to roll up your sleeves, because management skills are not there, and if they are, then they are overstretched.

International management consulting firm: Often in Africa you find the PE firms have two teams – a financial team to structure the deal and a portfolio team to support management.

3) Management Incentives
Investors worldwide pay close attention to the management team of investee companies, but in Africa they said the personnel issue was of paramount importance, because attracting and retaining a strong team could represent such a huge competitive advantage. As such, deals are often structured with heavy incentives for good managers to stay involved:

Pan-African PE firm: “The quality of management just isn’t where it needs to be. It’s almost the top decision criteria when we look at investment decision. You HAVE to ensure you retain management, so we usually include an earn-out structure, you have to give them equity and incentives, because it’s so tough to find quality management to replace them if they leave.
Chapter Three:

Understanding the Management gap: What kind of managers does Africa need?

We know that strong managerial skills are required to drive Africa’s next stage of growth and development. We also know that multinationals, large regional and national players, entrepreneurs, investors, government departments and NGOs all battle to recruit, retain and develop strong management teams.

But what kinds of managers are required to run strong, competitive organisations in tune with the complexities of African markets? What kinds of skills, competences and behaviours does the ‘ideal’ African manager exhibit? Which of these are currently missing? An experienced senior executive from Kenya interviewed for this research commented:

“There is a multiplicity of understanding around standards for good management in Africa. There are no basic foundations and wide discrepancies in terms of the way people and resources are managed. That leads to extreme disappointments in deliverables. There needs to be a common understanding about what good management IS in an African context.”

This chapter begins that process of building a “common understanding of what good management is”, and should be, in an African context. It identifies six characteristics that African employers would like their managers to exhibit. (We will probably need further analytical work to build these characteristics into a framework, but they could eventually be used to form the basis of any new curricula; or a scorecard, to which we might ask members of an AMI register or network to adhere. We may also need greater granularity around this data – one option for future research might be to expand the sample to build sets of characteristics for each employer group eg Big Business, SMEs, Public Sector etc).

Impactful African managers should have:

1) Personal drive: Organisations across the board require managers with greater initiative, personal drive and results orientation. Too often, managers fail to take personal responsibility for delivering results and wait to be told what to do. This was probably the
most frequently cited problem, and indicates that any new intervention will need a strong focus on attitude and personal development.

2) **Planning skills:** Basic planning skills are sorely lacking. Respondents said that managers frequently lacked the ability to drive and manage a project, particularly if it required working across functional silos. This was cited consistently across different levels of organisation, and may be an area for a ‘quick win’. Several respondents said a high quality, practical project management and work readiness course could be the single most immediately useful intervention.

3) **Ethics and integrity:** Questionable ethics is a significant managerial challenge for organisations across the board. Employers want resourceful but honest employees, with a strong sense of personal ethics. Educators felt that ethics should be integrated into programs and courses, rather than taught as a stand-alone subject.

4) **Critical thinking skills:** Many managers lack problem solving skills, in part due to an old fashioned education system. Some respondents also cited a lack of strategic thinking. Several respondents noted that improved analytic and decision making skills would enable managers to display greater initiative (point one).

5) **Practical experience:** Local African managers often lack practical experience. At the lower level, basic work readiness skills such as IT literacy and working in teams are lacking. At a more senior level, managers are inhibited by an underdeveloped business ecosystem and lack of international exposure. Across levels, managers struggle to translate management theory into practice on the job. More practical programs, action learning, inter-country exchanges and a greater emphasis on internships, placements and work readiness skills could help address this problem.

6) **Flexibility:** African economies need a special kind of manager – one who is comfortable with the complexity and (sometimes) chaos of dynamic markets. Some respondents characterised this as the need for entrepreneurial thinking, others said it was about flexibility and agile decision making. Most commented that educators could help cultivate this competence by integrating more action learning and locally relevant material into programs.

Each of these competencies are explored in more detail below.

**Personal drive**

Many interviewees emphasised the attitudinal dimension of the management gap, rather than the functional or technical challenge.
Respondents across large and small countries said that too often, managers in African organisations lack initiative and personal drive:

**Nigerian HR consultant**: When faced with a challenge, I would assume that people would use initiative to solve the problem, but you get ‘no you didn’t tell me’. For some reason initiative has been killed, and people just follow orders. I would guess that this is a consequence of rote learning in schools and universities.

**Ghanaian Impact Investor**: Not many people are used to taking initiative and used to leading – people who can instinctively identify problems and just run with them.

**Zambian start-up**: Finding people who are motivated to be productive is a challenge. INITIATIVE is a big one. People will very rarely come to me as a manager and say I’ve spotted a problem and here’s a solution. People will wait to be told there’s a problem, and told how to fix it. I’m looking for a person who takes initiative, who doesn’t kiss ass but who gets things done properly and on time, meets deadlines and deliverables that they set for themselves ... When someone puts their hand up to take responsibility for something, and when I can trust them, then that is priceless. That’s the holy grail of a good competent person.

Many respondents wanted to see greater focus on results rather than inputs. This included taking personal responsibility for outcomes.

**Nigerian bank**: People don’t understand performance and targets – it goes back to people not taking responsibility.

**Nigerian consumer goods firm**: People tend to abdicate responsibility.

**South African bank**: Managers lower than country executives tend not to take responsibility and ownership. People aren’t feeling the fire in their belly, they are passing the buck on, the ownership and responsibility. That’s what came through strongly from our employer opinion survey.

**Planning skills and Project Management**

Respondents repeatedly stressed the need to entrench the basic building blocks of management in place. The term ‘project management’ here includes formal project management, but also the basics of business planning:

**International consumer firm**: The basic skills are missing: the ability to plan and organize yourself and set priorities, basic planning and organizing. If people could understand the basics of planning properly – how do you set goals and direction, that would go a long way.

**Nigerian consumer firm**: There’s a lack of discipline, planning ... Organisational skills, time management, planning and analysis are definitely weaknesses. Getting people to drill down in a planning context is a challenge.
**South African business school:** I still think we just need really strong systems people, box tickers who move the machinery forward ... There are basic technocratic skills: how to run a project, how to write a report, how to transform data into concepts that could inform decisions.

**Zambian start-up:** Project management. Not high end strategy or marketing jargon, but project management is a skill that is SO applicable to organisations anywhere in the world that if you can do it you will do well. Managing budgets, teams, timelines etc.

**Pan-African SME program:** My experience is that people’s competence in getting things done is pretty limited. People don’t get things done properly. Project management skills - How do I manage my time, priorities, project, how do I mobilise resources and make sure we stay on track?

Some respondents characterised this need simply as good execution:

**South African business school:** The biggest single thing that is missing is execution.

**Pan-African PE firm:** We look for execution. We can add the strategic thinking as investors, but we want managers that can manage distribution in DYNAMIC environments.

**Ethics and integrity**

Most respondents cited strong ethics and personal integrity as a top priority, and an area needing attention. Entrepreneurs and owner-managers in particular cited examples of managers compromising on ethics and some respondents cited widespread corruption or theft:

**Kenyan manufacturer:** We can find good managers but there is no guarantee on the quality of the integrity. We find great people, very educationally smart, but our doubt is always in terms of integrity. Someone’s always putting their hand in the till. The culture is wrong.

**Rwandan business school:** Once a week I am absolutely shocked at some huge scam taking place under my nose. The campus is on the edge of a bad neighbourhood that has no plumbing and water – I have people from town living in my faculty houses and they’re selling water to the town – they’re getting rich as water brokers while we have huge water bills! There is serious corruption.

**Ghanaian business school:** Integrity – it is lacking to a large degree, we just need more people with integrity in the system, otherwise corruption is always going to be there.

**East African unit of international forestry firm:** One thing I think is missing is character, development of character. I’m not sure organisations are really addressing this, it’s a constant fight. Ethics and character are extraordinarily important.

**SME unit at Kenyan business school:** Business ethics comes up all the time – especially legal, finance and insurance professionals - the perception is that these people shouldn’t be trusted! There needs to be something about ethical behaviour.

Some respondents linked the ethical issue with cultural norms, citing an emphasis on community and loyalty (explored in more detail in the next chapter), which sometimes clashed with western standards around governance:
Business education NGO: There are things that don’t get taken into account when the western model is just transplanted. The line is often blurred between the individual and the business. There’s something more amorphous in the way people deal with finances. What is ethical in different contexts, is there a universal set of rules or is it contextual? Having a good understanding of ethical behaviour and understanding of your actions and how it relates to community and society around you is very important.

This underscores the point made earlier, that any intervention aimed at strengthening management in Africa will need to build awareness and a set of standards around what good management should look like in an African context. This should also include locally relevant case studies and materials, as well as frank conversation around the realities of decision-making in dynamic markets. There were different views on the role of business schools and training providers in addressing the ethics issue. Some stressed the need for business schools to be beyond reproach, and urged an aspirational approach:

Nigerian business school: Ethics is at core of what we do. This business school placed so much emphasis on modelling good ethical behaviour that half the school has been left unfinished because it refused to pay bribes.

Nigerian bank: We are very rigorous on teaching ethics. We tried to get experienced people from across the region, and we bring it into every course.

Others advocated a more pragmatic approach to the ‘realities’ of doing business in African economies:

International media firm: There’s a difference between integrity within the company – which is absolutely essential, you can’t get away with that. But whether they bend the rules outside the company, in the marketplace, maybe that’s another question.

Russian business school: You have corruption left, right and straight ahead, what are you going to do? The traditional approach is a course in ethics. But I don’t see my role as being a missionary, and what gives me the right to judge what is right and wrong? It’s about making people aware of what’s going on, aware of the ethical dilemmas they will face and equipping them to make choices and to live with those choices. You need to teach and mentor and coach that in the context of REALITY.

Critical thinking skills

Employers want managers who can make decisions, analyse problems, and think critically.

Most respondents said these skills were lacking among African managers. Several again linked this gap to poor mainstream education, which produced graduates well versed in memorising theory, but with limited ability to think for themselves – a recurrent theme during this research:
Rwandan business school: We’re trying to show that there’s a real payoff in learning how to think. Critical thinking is really really lacking, and I’m trying to mentor instructors to develop that.

Nigerian consumer goods firm: Analysis is definitely a weakness ... There is not enough emphasis on practical and critical thinking.

International consulting firm: Certain skills are not built at schools – problem solving, for example.

Some respondents linked critical thinking and analytical skills to decision making, particularly in a dynamic market context, and to the ability, mentioned earlier, to take initiative and responsibility for delivering results:

Pan-African PE firm: We need people in Africa who can make decisions quickly.

South African business school: We need to see speedy decision making based on solid analysis of appropriate information – so many organisations just don’t take decisions and the damage is huge. There is a fear of making the call.

Business education NGO: Certainly we need to see more critical thinking and the ability to assess information for decision making.

East African forestry firm: To be problem and solution focused. I make money by solving problems and I ask my managers to do the same.

Some respondents, although surprisingly few, said that improved analytical skills needed to be supplemented with better strategic thinking. Interestingly, most respondents emphasised execution over strategy, noting that investors, consultants or highly-skilled senior executives could usually fill this gap. However some respondents did note that having a larger contingent of strategic thinkers within organisations would generate the kind of initiative and planning skills discussed earlier:

International consulting firm: If you look at strategy – building and maintaining your competitive advantage – those companies that have this capability in senior management do well, those that have that at mid management do very well, but NO ONE has it institutionally.

Several respondents also argued that African companies would never transition into becoming regional or even international players without improved strategic abilities. These comments were echoed in the BCG report on Africa’s emerging corporate champions, which stressed that African companies wishing to transition to the next phase of regional and international growth would need to invest in developing the talent with the ability to think strategically and globally\textsuperscript{22}:

Nigerian foundation: The ability to be strategic is really at a premium, everyone wants to do everything. There are so many opportunities that no one can focus on what they are really doing. It’s about moving companies to the next level.

\textsuperscript{22} BCG report
Practical experience

Several respondents, in both larger firms and start-ups, said that a lack of practical managerial experience was often a bigger challenge than functional skills. This was often due to underdeveloped business ecosystems, particularly in smaller African countries. Apart from senior executives, few managers had been exposed to best practice overseas, or to the same breadth of different projects, markets and business scenarios as their counterparts in more developed economies:

Nigerian bank: There is a big gap in the number of skilled and useful experienced people, it’s hard to get the breadth of experience.

Ghanaian impact investor: You find people with good qualifications but very little appropriate practical experience ... there isn’t a critical mass of companies that produce people with this sort of experience. If they do, then they hold onto them.

International professional services firm: I think it’s a lack of experience not a lack of skill. Due to limited exposure, it’s very difficult to build skills. The business ecosystems often aren’t as developed, so managers do not have the same experience and expertise, the client base is not as varied, and when it comes to more sophisticated work the market is so young that they haven’t had the same opportunity to build experience.

South African business school: If there are no businesses in, say, south Sudan, then how do you become a good manager?

Pan-African impact investor: The problem is that the business environment doesn’t MODEL how to be a good manager. So how do people get that experience?

Entrepreneurs also said experience was lacking, especially those operating in nascent industries such as technology or media:

Kenyan start-up: The best guys are people who have been outside the country because this is such a new market. What we need to succeed is people with experience and then to localise it. That is a sticky point.

The lack of experience is often compounded because managers are promoted too quickly due to the talent shortage, or nepotism. This appeared to be particularly prevalent in the smaller countries:

Pan-African telecoms firm (Rwandan office): People come from university but what do they really know? They are put in a position because they know someone, but they have no experience and no idea what they should be doing.

Zambian start-up: Because the skills shortage is so acute, someone in Zambia who is lucky enough to get through high school and maybe university will end up in a bank or ministry and they quickly rise through the rank into roles where they don’t have the experience and mentorship to be effective and capable.
The majority of respondents said young managers were often ill equipped for the practical realities of the workplace and lacked fundamental skills such as basic IT, communication and presentation skills:

Zambian start-up: Basic Excel and Powerpoint, writing and communication. If someone can write an email that’s not all in caps then that’s great! Also, putting things in documents, writing reports, putting graphs together and managing spreadsheets, financial modelling. Standard business management skills – starting with a blank spreadsheet and mapping out forecast revs, expenses, set up a dashboard that you can track your progress along. A lot of that is experience. In such a digital economy, people here can still go through school and not use a computer.

Respondents frequently linked the lack of ‘work readiness’ to flaws in existing education and training programs, noting that more practical programs grounded in the realities of local economies, or short work-readiness or short but high quality and very practical project management courses could quickly help close this gap:

Ghanaian impact investor: There’s a lack of work readiness – and that’s partly about education. Education programs in Ghana need to be more practical. I’ve been lucky enough to gain experience both inside and outside of Ghana. The emphasis at universities in the UK is much more on DOING stuff you’d be expected to do when you get into the workplace: internships, practical coursework and case studies.”

Nigerian consumer group: Africans in general work extremely hard. They quote Drucker chapter and verse, but they can’t apply it in a practical context.

Clearly experience cannot be taught at business school, or on a training program. But management development initiatives can help fill this void by reforming curricula to include as much practical content as possible, and by placing more emphasis on internships, placements and action learning.

Kenyan manufacturer: You often get graduates from business school that are just not properly trained for the workplace... People know the textbook but not the realities.

Flexibility
Africa needs managers who are flexible and comfortable with the complexity and (sometimes) chaos of dynamic markets, who can think on their feet and juggle the competing demands of high level strategy and on-the-ground issues such as keeping the generator fuelled. The challenges of African markets may also require managers with patience and extra resilience:
Nigerian HR consultant: Managers have to deal with the challenges around the basics. In my own company I have to deal with putting diesel in the generator! We need people who can multitask and juggle. Always juggling, ALL the time! Expect the unexpected. Versatility. Other managers can assume that there will be basics in place, we can’t.

International media firm: Managers need extra resilience and the ability to deal with very practical issues, like the infrastructure, like the ‘officialdom’.

Some respondents characterised this as the need for entrepreneurial thinking, others said it was about agile decision making, and moving forward with limited resources or information:

International consumer group: People need to be versatile – there is a lot more complexity, even though the businesses are on smaller scale. Electricity is not a given, sometimes finding skilled people in the areas where we work is a challenge, so that means you’re running expensive, sophisticated equipment with people with no skills.

Russian business school: In much if not all of the African continent, certainly in other transition economies, you have institutional gaps, limited talent, a lot of uncertainty ... You’re going to have to work with whatever is there. You won’t always have a choice, so how do you move forward without having the ideal team in place?

Pan-African PE investor: We look for people who can make decisions quickly with limited info.

Pan-African impact investor: Doing business at the Base of the Pyramid (BoP) or in rural areas is very complex. It’s a distributed market that is not well organised. So you need management systems that can coordinate very disperse data into your business, and learn how to make decisions based on that. This kind of business requires very advanced capabilities, it is inherently hard to manage, and when put it in context of the lack of general management capabilities it’s really hard.

Again, respondents commented that educators could help cultivate this competence by integrating more action learning and locally relevant material into management development programs:

Nigerian business school: We emphasise local relevance and an understanding of the environment. For example, in operations management, we don’t bother with the Just-In-Time inventory method – you come and teach that in Nigeria and you will be dead. In Nigeria it’s just in case not just in time!

Conclusion

This chapter identified six sets of skills, competences and characteristics that African managers should exhibit. These are the characteristics that new management education, training and development efforts should aim to cultivate.

The following chapter will consider the context of management in Africa: At what level in organisations are the gaps most critical? Where do we face systemic and cultural challenges? What are the major roadblocks we will have to circumvent to improve management quality in Africa?
Chapter Four:

Understanding the management Gap: Organisational and Systemic challenges

This chapter is the third part of the ‘Demand’ side of the report, which seeks to understand the management gap. It considers the organisational and systemic challenges that need to be understood to complete the demand-side picture. It identifies six key organisational and systemic challenges which any effort to promote management development in Africa will need to consider. They are summarised briefly, then explored in more depth below.

1) **The Middle Management Gap:** Africa’s most pressing problem is at the middle management level: the ‘engine room’ that drives organisations. There is a huge gap between often very competent senior executives with foreign education and exposure, and middle and lower level managers who lack basic work readiness skills, and have experienced little or sub-standard training and development. Middle managers lack exposure to management best practices, and even when they have some grasp of theory, are rarely able to apply it at work.

2) **Cultural hierarchy:** There is little point in developing managers with initiative if they are not allowed to flourish. Many respondents cited the need for wholesale shifts within organisations from rigid hierarchies to meritocracies, where individuals are held to account, and innovation is allowed to flourish. This was often characterised as a ‘cultural’ and systemic issue that would require creative thinking and extensive work to overcome. Change must happen at an organisational level and will require buy-in from senior executives. Strong performance management systems would represent a major first step.

3) **Lack of operational systems:** As discussed earlier, African companies often struggle to progress from the locally successful owner-manager stage to the next level of regional and even international growth. This is partly due to a failure to implement company-wide systems – from both an operational and governance perspective – to reduce dependence on a strong founder or leader. There is no systematic transfer of knowledge and a lack of long-term thinking. Organisations need operational systems that will professionalise companies and improve execution.

4) **Low willingness (and ability) to pay:** Most African business schools and quality training programs are too expensive for ordinary managers and for all but the largest companies and organisations. MBAs – at $5-20,000 - are only for an elite few. The economics of the
western business school model simply does not add up for most Africans, and any new effort will need innovative thinking to create a new price-quality paradigm, to build flexible payment options, and to create more accessible products (see chapter 8).

5) **Rural/Urban Divide:** Given the urban migration of young talent, organisations in rural areas have a particularly tough time recruiting, retaining and developing strong management teams. Most business schools and training programs are located in urban centres, meaning they are inaccessible for huge swathes of the continent. We need solutions that will use technology to reach remote geographies, and to creatively channel resources to rural areas.

6) **Poor pre-tertiary education:** In more developed countries, management development programs build on the basics taught by primary, secondary and usually tertiary education systems. In Africa, basic education levels are significantly lower, and employees often arrive at a managerial level without having developed the strong numeracy and literacy skills, IT proficiency and critical thinking competences required.

**Middle versus Senior Management:**

When asked to identify the biggest and most urgent talent and skills gap for African organisations, most respondents cited middle management.

Major companies or units of multinationals often recruit senior managers from overseas, sometimes from the African Diaspora – (interestingly, several employers noted that more Africans were returning home, given bleak economic conditions elsewhere). They often send top home-grown executives overseas for management development courses at the world’s best business schools. Meanwhile middle managers are usually educated at home, and have had little in the way of practical training and experience. The gap between the two sets of managers is often huge:

* Nigerian HR consultant: There seems to be a disconnect between middle and senior management. Senior managers are SO much better qualified and experienced, middle and lower management need to be brought up to speed.

* Nigerian consumer firm: At a senior level I can get Nigerians from abroad. Juniors you can develop. But strong, quality middle management or lower senior, that’s where we struggle.

* International media firm: I would think probably the middle level is where there’s greatest need. At higher levels you can usually find someone from the elite, groomed at a multinational. At that middle level it’s tough – it may also be an age thing, because of the collapse of education in 70s and 80s, not just because of training but because that generation didn’t have basic education.

* Ghanaian impact investor: We’re looking for normal rank and file managers – middle managers, someone responsible for production, for sales, accounts. You find people with good qualifications but very little appropriate experience.
The lack of strong ‘engine room’ talent means that organisations end up relying too heavily on a small handful of strong senior executives. Obviously, this impedes growth, because execution is weak, and compounds ‘founder syndrome’:

Pan-African PE investor: From a private equity perspective, we find that the top level are pretty good and the bottom are OK. But the middle managers are a disaster. The CEO, CFO can’t do everything, but they don’t have the people to implement and execute at mid management level.

Some multinationals and large regional firms are trying to develop a pipeline of future leaders through concerted middle management training and development:

International consumer firm: We bring in expats for senior jobs and find that they are at a much higher level than local teams. So we are starting at the bottom and middle and feeding the pipeline. The biggest win over time would be getting solid entry of people coming through.

South African bank (Lesotho unit): Middle managers – that’s where things happen. Execution. We’re not short of high-level execs, and if we are it’s because our feeder system isn’t good. So if we get it right at middle management level we will get good execs.

Several respondents cited a lack of quality training available for this constituency, noting that management development programs – both inside companies and at external institutions – tend to focus on either executive leadership or on small businesses. That left a gap in the market at the middle management level. Leadership has become a fashionable focus for western business schools and for the management training market in developed countries, and some respondents wondered if there was risk of importing that emphasis to Africa prematurely, before the basics are well entrenched:

South African bank: There’s been a lot of focus on the ExCo, and a lot on graduates, but nothing on that middle level. That’s a very broad layer, but they are the future leaders.

Pan-African SME program: The foreign business schools starting to enter Africa are focusing on leadership at the senior level – possibly because that’s where the money is. But the gap may be lower – middle management. You can only do leadership once you’ve got the basics right.

South African business school: I still think we just need really strong systems people, box tickers who move the machinery forward. Everyone talks about leadership, and that IS important, but there are basic technocratic skills: how to run a project, how to write a report, how to transform data into concepts that could inform decisions.

South African business school: I would say the biggest need is at first line management – simply because that’s where people are acknowledged for the first time but not prepared and capacitated to lead. And also at middle management – managers of managers, or of supervisors. As that complexity kicks in – moving into cross functional thinking and systems thinking, it really starts to be a challenge. At the top level, because it’s so small, they’ve all gone to Harvard, and are well catered for.
However, several respondents on the supply side argued there was still work to do in the executive suite. They noted that addressing the managerial gap would require change at an organisational level, which clearly needs to be driven by senior managers. The dean of an innovative emerging market business school outside of Africa cited a ‘sequence of talent’, and argued that systemic change must come from the top. From a practical perspective, focusing on senior management may yield faster results:

**South African business school:** My gut would take me to exec suite – unless they’ve got the plot you won’t get too far.

**Russian business school:** Our focus is on what we call entrepreneurial leaders, and that’s where you need to start. Yes, you will need lots of managers, but you need the people who will lead first. The initial challenge is to have a cohort of people with the network to support each other, who will lead change and will be change agents, can motivate and incentivise other people, then later on get professional management talent once there is an institutional setup. There is a sequence of talent. We were careful about identifying that sequence of talent – not trying to do everything but do the first part.”

**Nigerian foundation:** If you’re trying to solve the mid level crisis you’re getting to that million level. If you focus on the elite then we can get that down to a few thousand and that’s something we can manageably pull off.

**Cultural Hierarchy**

While many respondents expressed concern about individual initiative and personal results orientation, several noted that this could only be addressed in tandem with a shift in organisational culture. No matter how much training we do to empower individual managers to take initiative, this will yield little fruit unless organisations move from a system of rigid hierarchy to devolved meritocracy. Organisations must also nurture that initiative and allow it to flourish. Much of the responsibility lies with senior managers, who must dismantle what is sometimes described as a culture of fear and authority in African companies and organisations. Some respondents cast this as a power issue, using the words ‘nepotism’, ‘authority’ and ‘hierarchy’.

**International consulting firm:** You can have great students coming out of universities and business schools. But if you get them 2-3 years after that after they’ve been in an African workplace it’s too late – they’ve had the initiative beaten out of them ... You get mediocre middle managers who have been conditioned to do what the boss said. That kills initiative and limits the vision of people at the top because they can’t execute. And the bosses cultivate that because they train people to do what they say.

**Zambian start-up:** People are very used to doing what they’re told. In Zambia, the boss sits behind a big desk, then there’s a bunch of people who push paper and try to appease the person above them. People are good at keeping themselves busy ... Organisations are very hierarchical and there are a lot
of robots – people are good at doing tasks, but not at critical thinking, making decisions etc – the kind of skills you need for a startup.

Rwandan business school: I would say that the average manager is autocratic, has the corner office, but is not a leader who walks around, really understanding how the business or organisation works. They are out of touch.

Business education NGO: There’s an ‘us against them’ culture – if you disagree with me or criticise me you are no longer loyal. We need to break down that ingrained sense of hierarchy.

Other respondents characterised this as a cultural issue, and described a tension between a traditional African emphasis on hierarchy and respect for elders, and a more western focus on merit, performance and accountability. Senior managers often lack the skills or know-how for delegating (an issue that will be addressed under ‘Operational Systems’ below). Respect for hierarchy often meant that middle and junior managers felt unable to challenge the boss, inhibiting innovation and creativity:

Nigerian consumer group: Culturally there is strong respect for your seniors. So even professional children find it difficult to challenge their fathers, and that carries itself into the workplace. Respect for experience and old people are not necessarily a bad thing, but it’s the way you use it. You need your people to challenge their bosses.

Business education NGO: I don’t claim to be an expert on culture, but I think there is an issue around trust and delegation. The ability to delegate is hugely important, and understanding how to surround yourself with the right people with the right skills.

South African business school: Cultural influence appears to hamper the development of managers. The aspect of follower-leader has allowed African individuals to be much more capable at following, and executing under tight direction and command-control. But the challenge is that when faced with management they often struggle with authority, communication, results focus within a timeframe and then holding people accountable.

Interestingly, one South African regional player said that the system of expat senior managers often compounded this problem, stifling local ambition and expectation for advancement:

South African bank: If you have a foreign brand and an expat manager looking over you, all the power resides in the other. So there’s just no ownership. (The expat system) feeds a paternalistic culture, very hierarchical, which doesn’t allow people to take ownership. Fear is too strong a word, but it’s about confidence – local managers sometimes think that the expats are better and you’ve got to be an expat to advance.

There were several powerful stories of managers who struggled to hold staff accountable due to cultural pressures around social hierarchy. Some argued that more rigorous systems for
performance management would help alleviate the pressure on individual managers, while others advocated frank dialogue to develop a deeper understanding of what it means to be an effective but authentic manager in an African context:

South African bank (Lesotho unit): Our cultures don’t prepare us to become managers in the commercial setting. If you look at performance management, from an African cultural it’s difficult because we are not used to kicking butt. How does Ubuntu work in the office? If a guy is lazy does that mean I can’t hire him? Can I fire him even if I know he will struggle financially? What does my culture tell me? How do I go into a community knowing that someone is now struggling because I fired him? Expectations around the clan, the family, the community – that doesn’t fit with being a good boss. So we need to put in some real work around soft skills, and help people understand that you can still be a good community leader but set limits in the commercial environment.

Here’s an example: when I was working in Lesotho, there was a group of elders from the church, they wanted a loan to build a house for the priest. They asked me to extend credit, even though they didn’t qualify, because of the role of the church in the community. They were asking me to overlook the credit policy, appealing to my background growing up in a church and community environment. As a manager I realised I wasn’t trained for that. They were working on my emotions. How do I marry these emotions and the policy? How do I tell them it’s a policy?"

Pan-African telecoms firm (Rwanda unit): Most companies in Rwanda operate on a system of nepotism, with people unable to do their jobs and no accountability. Our company is unusual because we have a performance system. Other companies don’t have that system and have no way of setting goals and objectives. We need those systems in place.

This issue is an interesting one and underlines the tension described under the ‘Middle vs Senior Management’ section. On the one hand, there is an urgent need to fill the gap in basic competences at mid management level; but on the other hand, the problem may need to be addressed at an organisational level, requiring extensive work with senior managers around performance management and delegation alongside candid discussion of the ‘culture’ issue.

Operational Systems: More tools less muscle
Respondents said that African organisations need to develop operational systems to help ease dependence on a small group of senior managers. This will improve execution and unlock the next phase of growth.

Many respondents linked this to the ‘founder syndrome’, which is impeding growth and halting the emergence of a new wave of regionally and internationally competitive businesses. A greater level of professionalization was needed to reduce dependence on strong leaders:
Nigerian foundation: We have so many mom and pop businesses that only grow to a certain level because they have no succession plan in place and no governance. We need more tools and less muscle. We have some really successful businesses, but when you remove the CEO, will it function? And is it functioning in a healthy way, according to international standards?

International consultant: When you’re talking about companies that are transitioning, it’s about maintaining a basic rigor of operations. Companies are plagued by over-dependence on the boss. There aren’t systems in place to ensure that a number of people are driving for quality and have a clear vision of what excellence looks like.

This challenge is particularly important for entrepreneurs and owner-managed businesses seeking to move to the next level, and the lack of operational excellence is often linked to other problems cited earlier, such as analytical skills and a ready supply of strong middle managers:

Pan-African impact investor: We often see very strong entrepreneurs, but it’s a hard transition from entrepreneurship to management. It’s very hard for entrepreneurs to find managers to come in and help them, the talent pool is really small. Also the challenges of putting in formal systems require analytic skills.”

Low willingness (and ability) to pay

This challenge requires little elaboration. Many respondents stressed that the current business education model – largely imported from the west – is not suited to the needs of most African organisations, because it is simply too expensive. While some multi-nationals and large organisations said they worked with foreign and local business schools to develop in-house training, smaller companies and entrepreneurs said business schools were beyond their means. Smaller companies said they would be willing to pay for high-quality, affordable and relevant training and education, but they generally perceived business schools as ‘not for them’. They did not trust smaller, private training providers:

Zambian start-up: I have no idea where I could send my staff for training. I’ve asked around and haven’t come across any highly recommended local training company. I certainly can’t afford to pay the kinds of fees that the top South African business schools charge and I don’t think I’m their target market anyway.

While some courses targeting SMEs have successfully managed to charge fees that recoup costs, others have struggled with willingness to pay. Subsequent chapters will examine the different supply-side options in more detail, and suggest some new ideas. But it is worth noting here that several respondents called for short, practical, modular courses that could be completed part-time.
Rural/Urban divide

Existing management development solutions almost exclusively target urban managers (apart from a few good programs targeting the agriculture sector, including TechnoServe and the AABS Agribusiness project). An urban focus is important because cities attract talent and produce most of Africa’s most effective and innovative organisations. But over two thirds of the continent still lives in rural areas. Rural areas are also home to what could be Africa’s most globally competitive industry: Agribusiness. Ignoring rural managers would be a huge mistake.

Respondents said that recruiting, retaining and developing African managers was even more challenging in rural areas than in cities, given rapid urban migration, and called for creative delivery mechanisms for extending access to management development into far-flung communities:

Kenyan manufacturer: There is a stigma around farming. Everyone wants a white collar job in the city. We have to change that. We need to take campuses to where people are: first to townships, eventually to rural areas.

Ghanaian impact investor: It’s really hard to find talented people that want to work for agricultural businesses. Young people in particularly just don’t want to work in rural areas.

Pan-African impact investor: We have had huge problems, not only with recruitment but with retention. We tried to move people to our investee companies in rural areas. We’re going to have to do more training in rural areas for the rural population, because we’re not going to reverse the trend to urbanisation.

Taking management development to rural areas presents obvious structural challenges. Rural areas are hard to reach and sparsely populated, meaning costs of service are high. Meanwhile buying power and willingness to pay is significantly weaker than in cities. Respondents said programs would need to be tailored for rural areas (this is explored in more detail in Chapter 8):

Pan-African impact investor: In rural areas, people don’t need an MBA, they just need fundamental building blocks – finance, HR – presented in a more modular way. Maybe we need to look at more non-degree conferring programs. We need to think about how we get faculty into rural areas – what about a mobile campus? It’s going to take imagination.

Another option suggested by several respondents was to channel resources for technical assistance by mandating business school students to spend a semester on placement at a rural organisation (this idea will be explored further later in the report).
Poor pre-tertiary education

This systemic challenge also requires little elaboration. Respondents repeatedly noted that management development programs were forced to work off a very low base. In more developed countries, management development programs build on the basics taught by primary, secondary and usually tertiary education systems. In Africa, basic education levels are significantly lower, and employees often arrive at a managerial level without having developed the strong numeracy and literacy skills, IT proficiency and critical thinking competences required.

The CEO of the Branson Centre for Entrepreneurship in Johannesburg described dire levels of numeracy and basic maths skills among the entrepreneurs it trains and mentors. As discussed in the previous chapter, respondents across the board said that managers lacked critical thinking skills, and the ability to take initiative, largely due to old fashioned education systems that encourage rote-learning.

The dean of a Rwandan business school said that not only do incoming students lack the ability to think critically and learn actively, but they are also functionally illiterate due to a presidential decree that recently changed the official language from French to English:

*Rwanda business school: We inherit students who are at 5th grade English language – they are functionally illiterate. The challenges are huge.*

Several other respondents said that management development programs should probably develop basic IT proficiency – skills that would normally be instilled at school or college in more developed countries. Any new management development interventions will clearly have to take into account the lower starting levels of participants. They may need to use more oral methods than usual, and will need to dedicate time to developing the basic IT and critical thinking skills that may not have already been instilled elsewhere.
Chapter Five:

The Supply-Side Landscape

There is an acute need for better management skills in Africa. The previous chapters explored the demand side of the equation: Why is management important? What does the management gap mean for different types of organisations? What types of qualities would employers like to see in African managers? What are the underlying organisational and systemic challenges?

The following three chapters shift to the supply side: What is already happening in terms of management development? What appears to work well and where are the pockets of excellence that could be replicated? What new ideas could lead to potential impact?

***

In more developed economies, managers receive education, training and development through a variety of delivery methods. Business schools offer formal MBAs, generally for senior and upper middle management. Lower middle management can take shorter diplomas and certificates either through business schools or independent training companies and colleges. Some short courses are tailored specifically for entrepreneurs and owner-managers. Large companies often provide their own training and development in-house at different levels up and

Key Messages:

- There are weaknesses at every level of the Management Development Ecosystem in Africa.
- Top Tier business schools are reaching only 9,000 managers a year: we need more world-class schools reaching more people.
- The most critical gap appears to be in the middle: lower tier schools lack relevance and training providers lack rigor. The market is fragmented and is limited to main urban hubs.
- There are some excellent programs targeting SMEs but they have so far struggled to find scalable and sustainable business models.
- Institutions at all levels require higher quality inputs (curricula, teaching methods, faculty training).
- Organisational enablers, such as performance management systems, role modelling, mentoring are lacking in all but the largest companies.
- A reliable quality assurance mechanism based on a clear set of shared metrics could be extremely valuable at all levels.
down the organisational pyramid. The best courses are supported by relevant and innovative inputs, such as curricula, materials and the latest management thinking. Quality is enforced through rigorous and well established accreditation systems. For managers to implement what they have learned effectively, organisational enablers are required. Effective organisations complement learning with mentoring, coaching, informal feedback, role modelling and performance management systems. They establish systems that institutionalise good practices. In short, developed economies have built whole ecosystems to support good management practices:

Figure 5.1: The Management Development Ecosystem:
This chapter will illustrate that the African management development system is patchy at best. Formal training and education suppliers are either insufficient in number, or sub-standard, at all levels of the pyramid. These institutions lack the right inputs: faculty, materials, teaching methods, curricula. There are no widely recognised systems for setting and measuring quality standards. There are some excellent in-house corporate training programs, but they are largely limited to multinational and large regional firms. Beyond these pockets of corporate excellence, Africa lacks a critical mass of organisations and individual managers to model good management and to provide the enablers – such as performance management systems, mentoring and coaching - to translate learning into practice.

This chapter provides a quantitative and qualitative review of the existing landscape for management development, looking at each element of ecosystem described above. It is by no means exhaustive, and will need to be continually updated and adjusted. For each section, a series of questions for debate, or consideration, have been identified. Please mull these over as you read.

PROVIDERS

Business and Management Schools

Africa is home to a tiny proportion of the world’s business schools. Globally, 950 internationally institutions accredited by the three bodies AACSB, AMBA and EFMD (Equis) offer business degrees – only 13 of those are in Africa.\(^3\) Several of these are only accredited via loose arrangements with European parent institutions, and fewer than 10 business schools have international accreditation or an internationally recognised ranking (e.g. Financial Times) in their own right. Africa currently has approximately 90 business schools and universities providing MBA and executive level training and education\(^4\) - one school per 11.2 million people (see Appendix 3 for full list of business schools). Compare that to India, which has over 1500 institutions offering MBAs\(^5\). Assuming that each African institution graduates approximately 500 students across MBA and executive education programs per

\(^3\) AACSB, AMBA and EFMD websites

\(^4\) AMI web-based research. Most lists of African business schools are incomplete. This list combines info from EFMD, AABS, AACSB, AMBA, TIA research, FindMBA, MBA.com, our own web research and interviews. It is the most exhaustive list so far, but of course may have missed some schools.

\(^5\) www.mbauniverse.com
year (undergraduate programs have not been included)\footnote{Estimated on the basis that the top-tier schools reach up to 2,000 managers through extensive education programs, but smaller schools may reach less than 100.}, Africa’s business schools reach roughly 45,000 managers per year. It would therefore take them 22 years to reach the 1 million figure cited in Chapter 1 (assuming they continue at current graduation rates). We need to cut that timeframe at least in half, and to radically improve the quality of the educating institutions.

\section*{Figure 5.2: Africa’s Business School Landscape}
As illustrated by the graphic above, there are huge swathes of Africa with no business schools at all. South Africa dominates, in terms of absolute number of schools. (This trend is even more pronounced when lower-tier schools are excluded). West Africa is seriously under-represented, and central Africa is virtually empty. Kenya and Uganda are reasonable well represented (in terms of quantity, at least), but other parts of East Africa are empty.

**Figure 5.3: Business schools by region**

Based on desktop research and interviews with sector experts, we have identified three groups within the 90 business schools and institutions identified in Africa. Tier One schools either have international accreditation or strong links with global schools; Tier Two schools are members of the Association of Africa Business School, or schools that we know meet the AABS criteria or equivalent; Tier Three comprises other schools, which offer MBAs but may not meet AABS standards. The details of which schools belong to which Tiers have not been made public, but an overview of the size and characteristics of each group can be found below.

**Tier One:**
The Tier One list comprises nine business or management schools which either have international accreditation (in their own right rather than as a satellite campus of a mid-ranked European/American school) or a ranking in an internationally-recognised list, such as the Financial Times. These schools meet global standards.

(It should be noted that Tier One schools are not the same as internationally accredited schools. Several very good schools have not pursued expensive international accreditation, yet could be termed ‘global schools’ and achieve the kind of impact we are aiming for. Conversely, several less
advanced institutions claim to be internationally accredited thanks to a relationship with a European institution, yet have not reached global or even regional standards of excellence.)

Tier One is dominated by schools in South Africa – several of which have international reputations and are ranked in the FT top 100 business schools globally – and North Africa:

**Figure 5.4: Tier One schools by region**

Tier One schools share characteristics around academic offering, links to business, approach to faculty, research and teaching methodology, and financial model. They place executive education at the heart of their offering and cultivate strong relationships with local industry, offering customized courses for individual organisations as well as open courses. This boosts profitability – meaning they are generally financially sustainable at an operational level – and often generates sponsorship for major projects. Tier One schools tend to attract the continent’s best academics, which they supplement with visits from international lecturers and a strong practitioner contingent. Tier One schools generate research, although several have not made this a top priority, choosing instead to focus on practice.
Without fail, Tier One schools eschew the ‘chalk and talk’ lecture method in favour of interactive teaching methods. Some are leveraging international partnerships to offer exchanges for faculty and students, and several have secured Top-100 Financial Times rankings for MBA and/or executive education programs. Some of these schools were started as independent institutions, and even those that sit within a university enjoy at least some level of independence. This was frequently cited as a critical success factor for business schools and will be discussed in more depth in the following chapter. Tier One schools generally charge high fees, both for academic and executive programs, and are therefore only accessible to a small elite.

**Tier One Schools**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academics:</td>
<td>MBA, EMBA, Diplomas</td>
</tr>
<tr>
<td>Business Links:</td>
<td>Extensive executive education (open and customized), Sponsorship, Thought Leadership</td>
</tr>
<tr>
<td>Faculty:</td>
<td>Mix of academics and practitioners; international lecturers</td>
</tr>
<tr>
<td>Research:</td>
<td>Some offer PhD/DBA. Research matters, but rarely a top priority</td>
</tr>
<tr>
<td>Teaching methods:</td>
<td>Action learning, case studies, simulation, role-plays, experiential, internships, exchanges</td>
</tr>
<tr>
<td>International links:</td>
<td>Faculty, research, partnerships, exchanges, rankings</td>
</tr>
<tr>
<td>Structure:</td>
<td>At least some level of independence from parent institution</td>
</tr>
<tr>
<td>Financial Model:</td>
<td>Often NPO but self-sustaining; High fees</td>
</tr>
</tbody>
</table>

**Table 5.1: Characteristics of Tier One schools**

There are only nine schools in the Tier One category. If each of these schools reaches an average of 1,000 managers per year (including academic courses and open executive education), they are doing significantly better than school in lower tiers, but are still only scratching the surface of the market need, at 9,000 managers per year.

Tier One schools are important, because they generate research, provide thought leadership, and demonstrate best practice in an African context. They also play a key role in helping to stem the brain drain by providing a high-quality alternative for middle class and elite Africans who would otherwise attend international schools. However, under the current model, they are largely inaccessible for the
majority of the population. **Tier One schools** will play a key part of a broader solution to extend management development to 1 million managers, and we need more of them, but they are not the only solution.

**Questions for consideration:**

- What role do elite schools play in extending management development to more managers?
- Do we want and/or need more Tier One schools?
- If so, should we create new schools? Or upgrade Tier Two schools?
- Are there ways of making Tier One schools more accessible?
- How do we ensure relevance, whilst meeting international standards of best practice?
- What criteria should we use to decide WHERE to create new schools?
- How would we go about creating new schools?
Global Standards versus Local Relevance

Many Tier One schools grapple with how to balance global standards with local relevance. While most would claim to offer a balance of the two, there is often a conflict between implementing the kind of international standards of best practice that boost a school’s global ranking or secures international accreditation, and ensuring that a school’s curricula and approach is firmly rooted in the local market and responding to the needs of the local economy. For example, should an African business school prioritise research in top tier journals or channel resources into developing SMEs? Should African schools insist on international admission criteria such as GMAT to improve standards, or is this unrealistic in a context of substandard pre-tertiary education? Should African schools offer electives on topics that may be fashionable and even prescient in a global context, e.g. sophisticated financial analysis, or focus on more immediately applicable topics such as micro-finance or development finance?

University of Cape Town Graduate School of Business Director Walter Baets argued in a recent Financial Times article that we need a new model of African business or management school:

“While there is undoubtedly a growing demand for quality business education in Africa, that cannot and should not come at the cost of local relevance. And Africa should not confuse good business schools with western-style business schools... With its emergent economy, characterised by uncertainty, complexity and, unfortunately, inequalities, Africa is an ideal setting for learning. It is a place where the foundation for the future of business is being laid... We can achieve more by working together and respecting multiple perspectives than we can by merely replicating past models in new contexts.”

Other top-ranked emerging market schools are wrestling with similar questions. The Indian School of Business Dean Ajit Rangnekar told the Financial Times in a separate article that he faced a dilemma over whether to become a top-ranked global school that competes with western institutions or to specialize as an emerging-market centre that focuses on finding solutions for developing economies:

FT: “On the one hand, the ISB wants the global recognition that will put it on a par with world-class institutions such as Harvard and Stanford. On the other hand, Rangnekar feels the school in Hyderabad has a moral and ethical duty to interact with its environment, which means training students to affect society by setting up social businesses... The biggest challenge for the school is to be relevant to both the top of the pyramid (providing skills for people to join big multinationals) and the bottom (providing skills for graduates to work for SMEs). Rangnekar sees the ISB’s location in an exciting emerging economy as a clear differentiation compared with other global institutions. “This emerging market is the future,” he says. “Everybody – in the west and east – is asking: how do you translate this big, amorphous entity called the emerging world into market segments that I can understand, into market strategies that I can implement and finally catch? That’s going to be the area on which the world is going to focus in the future.”


**Tier Two**

The next level of business and management schools do not generally meet the same standards of global excellence as their Tier One counterparts, but they do provide reasonably good management education at a local level. Tier Two schools have been the focus of much work by the Association of African Business Schools and the Global Business School Network. Most of them are members of AABS, and therefore meet a set of criteria which include faculty, classroom hours, content, local accreditation and executive education (see Appendix 4 for more detail). If they are not AABS members they broadly meet equivalent standards.

There are 41 Tier Two schools. While Southern Africa (mainly South Africa) still dominates in this category, East and West Africa are better represented than at the Tier One level:

**Fig 5.5: Tier Two schools by region**

Tier Two schools offer an MBA and/or EMBA, and – given that they often sit within a broader university structure - often also offer undergraduate and non-professional Masters-level business degrees. They provide executive education, but not always customized courses for companies, which means that links with local business are not as well-established as at Tier One schools.

Tier Two schools typically face challenges around recruiting and retaining good quality faculty, particularly in smaller countries. Some supplement academics with practitioners, although many are embedded in traditional universities and have not made the leap to this more practical and business-savvy approach. Some Tier Two schools generate research, and a few have begun to introduce the case study method, thanks to several AABS and GBSN initiatives, but may not yet have institutionalised interactive learning as effectively as Tier One schools. Several Tier Two schools have partnered with an international school. Maastricht, for example, formed partnerships with schools in Rwanda, Mali and Namibia to provide what is theoretically an international-level degree at local
Campuses. Courses are taught by local and international faculty, and the local school has access to the Maastricht online library. As foreign schools increasingly eye Africa as a potential market, there is debate around which type of foreign partnership is most effective (See BOX below).

**Tier Two institutions typically sit within a university structure, which limits their ability for entrepreneurial thinking, experimentation and growth. It also encourages an overly academic approach with limited links to business, and tends to produce graduates who lack practical, results-focused skills.**

Partnerships that build local capacity tend to work best, although this takes time. Perhaps the biggest single constraint or blockage for Tier Two schools is organisational and financing structure. Tier Two institutions typically sit within a university structure, which limits their ability for entrepreneurial thinking, experimentation and growth. This structure tends to encourage an overly academic approach with limited links to business, and tends to produce graduates who lack the kind of practical, results-focused competences that were described in Chapter Three.

<table>
<thead>
<tr>
<th>Tier Two Business schools</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Academics:</strong></td>
<td>MBA, (sometimes EMBA), BA/Bsc/Com, Masters, Diplomas</td>
</tr>
<tr>
<td><strong>Business Links:</strong></td>
<td>Executive education short courses and certificates</td>
</tr>
<tr>
<td><strong>Faculty:</strong></td>
<td>Largely traditional academics</td>
</tr>
<tr>
<td><strong>Research:</strong></td>
<td>Some offer PhD/DBA. Research but rarely international standard</td>
</tr>
<tr>
<td><strong>Teaching methods:</strong></td>
<td>Case studies, lectures</td>
</tr>
<tr>
<td><strong>International links:</strong></td>
<td>Limited, sometimes foreign degree-awarding body</td>
</tr>
<tr>
<td><strong>Structure:</strong></td>
<td>Often embedded in a public or private university</td>
</tr>
<tr>
<td><strong>Financial Model:</strong></td>
<td>Part of university funding structure (state funded or fee-based); High fees, but generally lower than Tier 1</td>
</tr>
</tbody>
</table>

**Table 5.2: Characteristics of Tier Two schools**

**Questions for consideration:**

- How can we improve Tier Two schools, and maybe lift some into the Tier One space?
- How can we encourage practical and interactive learning?
- How can we help Tier Two schools extend their reach?
- Is ‘more of the same’ the right approach? Or do we need a new business school model for Africa?
**Tier Three**

Tier Three schools are neither members of AABS nor other international organisations, but offer an MBA and/or EMBA. They are registered with local authorities, and many are part of traditional universities. Some also offer undergraduate or Masters degrees, while others provide professional short courses, although not customized executive education.

We have identified 42 Tier Three schools, however it is likely that there are many more schools in this category that we do not know about because they have not formed partnerships or reached out to industry bodies. It may also be that our Tier 3 list includes good schools, of which, again, we are not aware due to a lack of communication or partnership with the broader business school community.

East Africa is more strongly represented in this group, driven by a relatively high number of schools in Uganda and Kenya. West Africa is also stronger in this group than at higher levels, but still lags other regions. More of the schools in Tier Three are located in smaller countries (e.g. Cape Verde, Mauritius, Cameroon, Somalia, Uganda, Malawi, Zimbabwe), and may be the only institution offering professional business education in that economy.

**Figure 5.6: Tier Three business schools by region**

Like many of their counterparts in Tier Two, Tier Three schools tend to be embedded in traditional universities, and behave more like business studies departments than modern independent business schools. Some offer management education as a complement to professional and technical training. All these schools offer an MBA, and most also provide undergraduate degrees. Executive education
tends to be less important, although some offer short certificate courses. There are few practitioner faculty members, but academics are less likely to hold doctorates. Research is limited. Teaching appears to be based largely on lectures, although some schools say they use case studies. These schools are largely focused on the local market and have not fostered international links. The broader university structure determines their funding model.

<table>
<thead>
<tr>
<th>Tier Three Business schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academics: MBA, Undergrad, Masters, Diplomas</td>
</tr>
<tr>
<td>Business Links: Little executive education, some certificate courses</td>
</tr>
<tr>
<td>Faculty: Mostly academics, fewer doctorates</td>
</tr>
<tr>
<td>Research: Limited research</td>
</tr>
<tr>
<td>Teaching methods: Traditional lectures, occasional case studies</td>
</tr>
<tr>
<td>International links: Very few</td>
</tr>
<tr>
<td>Structure: Usually part of university</td>
</tr>
<tr>
<td>Financial Model: Part of university funding structure</td>
</tr>
</tbody>
</table>

Table 5.3: Characteristics of Tier Three business schools

Questions for consideration:

- Should we reach out to Tier Three schools, or start afresh with new initiatives?
- Are business schools necessarily the right institutional vehicle for developing mid-level African managers, particularly in smaller economies?
- Are there creative, low-cost ways of better equipping smaller schools?
Business Schools: The next colonial frontier?

As African economies power forward amid western stagnation, European and American business schools are increasingly eyeing the continent’s business school market. Africa has seen a recent influx of foreign business schools. **The entry of foreign business schools could represent the biggest competitive threat to Tier One schools, particularly in the lucrative executive education market.** However it also highlights the unmet demand for quality business education on the continent, and is proof that if Africa does not seize the opportunity itself, others will.

Foreign schools have taken different approaches, ranging from competitive to collaborative:

1) A “Colony” in which a foreign university or universities set up a local institution that conformed to its own model – e.g. China Europe International Business School in Ghana.

2) Executive education courses offered on an ad-hoc basis by international brands – e.g. INSEAD in Kenya, Duke in South Africa.

3) The franchise model in which a foreign university certified course is offered at a local campus with varying degrees of collaboration – e.g. Henley in South Africa; Maastricht in Mali, Namibia and Rwanda.

4) Distance Learning: Where foreign schools set up distance learning programs for African students – e.g. Edinburgh Business School, which offers distance learning supported by local training providers and schools.

5) Support from a foreign school to establish a joint-degree at a local institution - e.g. The Frankfurt School of Finance and Management, which helped the Universite Protestante au Congo in Kinshasa launch a microfinance degree program, and is exploring a joint MBA.

6) Bilateral support to create an independent school that develops its own identity – e.g. Lagos Business School & Strathmore Business School receiving advice and faculty support from IESE in Spain.

7) Visits from individual faculty members from a range of campuses that help provide academic weight while a school sets up its own faculty – e.g. GIBS in its early years

8) Edu-Tourism: Foreign schools are increasingly bringing students on learning journeys to Africa, sometimes involving local schools, sometimes not.

9) Equal partnerships between foreign and local schools.

**Suitcase Academics:**

As business schools – both local and foreign – expand in Africa, they inevitably run up against the faculty shortage. There are simply not enough African academics with doctorates as well as corporate experience. Some schools have tried to circumvent this by flying in faculty from overseas, with the downside that this fails to develop local capacity. **One option might be to develop regional hubs of excellence within Africa, which support smaller satellite campuses with faculty and resources.**
The Middle of the Pyramid: Non MBA

The landscape in the middle of the pyramid is fragmented, unstructured and often low-quality. The Tier One schools offer excellent non-academic short courses for practising managers. However these are usually too expensive for middle managers, or for managers at mid-sized firms, and are only accessible for managers in the continent’s major urban hubs (Johannesburg, Cape Town, Lagos, Nairobi, Cairo, Rabat and Accra). At the Tier 2-3 level, short courses are sometimes still too expensive for smaller companies, and are often overly academic, lacking the practical relevance that we know organisations and employers need and want.

It is impossible to map this market segment exhaustively without more extensive research, but this report identifies two groups of mid-market provider, beyond the mainstream business schools described above: 1) Tier Four business schools, institutes and colleges which offer undergraduate,
diploma and certificate courses in management and business (not MBA) targeting existing managers, mainly through evening classes; 2) Independent training providers which usually work directly which companies, but also provide open short courses.

**Tier Four Business Schools, Institutes and Colleges**

There are thousands of higher and tertiary education colleges – both public and private - in Africa offering business courses. Some call themselves ‘business schools’ although do not offer MBAs. Registration and quality assurance systems differ across countries, as do the qualifications themselves and the hierarchy of institutions. While there may be a few good schools, many unregistered and ‘fly by night’ institutions are crowding the marketplace. Without a widely recognised accreditation system, it is hard to identify the quality institutions.

Ghana, for example, has over 400 registered tertiary education colleges, and many hundreds more unregistered institutions. Nigeria also has several hundred government-registered institutions, and many more illegal versions, according to various press reports, interviews and web research.

In Kenya, the [www.edukenya.com](http://www.edukenya.com) site, which lists public and private education institutions in Kenya at all levels, returns 397 matches to a search of ‘Business Management and Marketing’ courses (interestingly, 334 of these are urban, 50 suburban and only 3 are rural).

According to employers and sector experts interviewed, this strata of institution offers more affordable, but usually sub-standard courses to middle managers and managers at mid-level companies. Faculty and facilitators are mediocre, materials are often out of date and teaching methods are not interactive. These institutions are generally NOT producing the kind of manager that was described in Chapter Two, and that organisations want.

---

27 Ghanaian Ministry of Education
**Training Providers**

If the Tier One business schools are too expensive for medium-sized companies, and if the executive education programs Tier Two, Three and Four are usually limited and sometimes of poor quality, then where do mid-sized African organisations go for quality training? In more developed economies, this gap would often be filled by private training providers, which offer practical courses usually tailored for specific companies, at lower rates and a lower level of rigor than business schools. Africa does have a training provider market, but it is fragmented and lacks mechanisms for quality assurance. Training providers tend to be small, and lack brand recognition.

Desk research yields hundreds of examples of short courses offered by private training providers, yet not a single employer or sector expert interviewed could name one company they would recommend. Many of the larger companies said they used overseas training providers, because local companies and consultants depended on outdated materials imported from the west and old-fashioned facilitation techniques. Employers said local training providers often failed to keep up with industry changes and were not properly grounded in market realities. Some, like the Centre for Management Development in Nigeria, were originally established by the government to promote good management, and still reflect a public sector mentality:

---

**The African Training Provider Market:**

- Is fragmented, with small companies and few strong brands
- Lacks quality assurance systems
- Is old fashioned, with courses imported from the West
- Uses poor quality materials
- Is not grounded in business realities
- Offers potential for a strong, trusted, quality brand and is attracting overseas providers

---

**Questions for consideration:**

- It may be worth conducting further research to understand this segment better. We would need a deeper dive into individual countries, or more detailed research of a representative sample.
- If we could find institutions with potential, could they act as delivery channels for AMI materials and models?
- What kind of criteria should be used to identify the ‘good’ institutions in this group?
Nigerian bank: Local consultants just use the same old materials off the shelf. They don’t address shifts in technology or risk. We’re still figuring out how we meet our training needs at the middle management level. We got a U.S. training provider to do some training for us, which we’ll start through e-learning (9 months). We have to take it outside Africa, because most locals do not have a curriculum that is robust enough to address the gaps we have identified.

Nigerian consumer group: At the level below the top business schools there’s a shortage of quality courses. You have to use private providers and the quality can be very variable.

The lack of quality training is even more acute outside of the main urban hubs. Some companies are even turning to providers that typically target SMEs:

International SME program: The few decent business schools just don’t have the capacity to reach large numbers of people, and in most African countries the training market is very under-developed. Our course was designed for SMEs, but increasingly we’re getting corporate business, especially from companies in the smaller countries, because there just isn’t anything else available.

Like the business school market, there is clearly appetite for management training, and foreign providers are beginning to take notice, at the middle level as well as at the top of the pyramid. Some foreign providers offer occasional courses focused on particular industries. The London-based CWC School for Energy, for example, provides standardised training courses for managers in the energy industry in Nigeria, Angola, Equatorial Guinea, Ghana and South Africa. Some local providers are accredited by foreign specialised bodies, in areas such as project management, HR and marketing.

Clearly, there is a supply-side gap in the middle of the management development pyramid, which matches the biggest area of need on the demand side. Tier One business schools are often too expensive for middle managers at large companies and for mid-sized companies, and are concentrated in a handful of major cities. Tier 2-4 schools are too often rooted in academia rather than the marketplace, and fail to offer the kind of dynamic, practical, up-to-date, relevant and affordable courses that organisations need. In some cases, training providers fill this gap, but they are often sub-standard and the market is crowded and fragmented. Companies struggle to identify the good quality providers. Outside the continent’s main business hubs, the gap is critical. There is a need for some kind of intervention at this level.
Questions for consideration:

- How can the middle of the pyramid best be served: through business schools, training providers, both or neither?
- If business schools, should Tier One find ways of offering lower-cost courses, or should Tier 2-4 improve their offerings?
- Would the middle of the market be better served through training providers? If so, how can they be supported and equipped?
- Is there room for an umbrella training provider brand, or a way of providing quality assurance to help good providers stand out in a crowded marketplace?
- How can organisations outside of the main hubs, and in rural areas, be reached?
- Further research to better understand this market segment, and the willingness to pay would be useful.

ORGANISATIONS

In-House Corporate Training

Given the supply-side gaps, many companies provide their own management training and development in-house. This is standard practice in many parts of the world, especially for large companies, which develop customized programs in conjunction with business schools. It has become particularly popular in other emerging markets where large companies grappling with acute talent shortages are racing to keep up with exponential growth. In India, for example, companies such as Tata and Infosys have developed huge corporate universities and training programs. Infosys’s 335-acre campus houses one of the world’s largest corporate universities. It has a permanent faculty of 250, trains some 10,000 new “Infosysians” a year (the same number as ALL of Africa’s Tier One business schools put together!!!) and provides advanced instruction for thousands of existing employees. Other Indian companies are emulating this approach.
The Boston Consulting Group\textsuperscript{28} has urged Africa’s major companies to take more proactive steps to address the continent’s talent gap by working with business schools, universities and colleges, not only on their own programs, but on broader capacity development. A recent Economist article described how the best companies “treat talent as a supply chain that needs to be relentlessly managed” and should help build “educational ecosystems”. Multinationals in Africa traditionally send their most promising local executives to company training programs overseas at head office. But as African multinationals and regional players emerge, and as the African units of international companies grow, many are starting to develop more extensive local management development programs. Indigenisation programs in several African countries have accelerated this process, raising pressure on companies to develop a pipeline of local leaders. Many large companies in Africa have already built excellent training and development programs, and are working with local business schools and institutes to develop the educational ecosystem. Some of the large companies interviewed have developed in-house programs at various stages of the training pyramid (See company mini-case study in Chapter Six), usually in partnership with Tier One business schools. Some companies, such as the international professional services firm cited earlier, have turned the training shortage into an opportunity and have opened up their own programs to other organisations, generating new revenue. A Nigerian bank interviewed is even working on developing a corporate degree-awarding university that would be open to other organisations. But too often companies run into the same challenges cited above: a lack of good quality providers to help them develop programs. Only the largest companies have the capacity to develop programs independently and most need support from business schools and training providers, which often simply do not exist. Desktop and interview research indicates that beyond the multinationals and the continent’s largest home-grown companies, which are concentrated in the main business hubs, very few provide high quality programs for their managers. This is an area for potential intervention.

\textsuperscript{28} BCG, 2010
Other organisational enablers

While in-house company programs play a crucial role in the management development ecosystem, training in isolation is not enough. Learning must be supported with the kinds of organisational enablers highlighted in the Management Development Ecosystem model presented earlier in this chapter. The best companies support training with a culture that encourages meritocracy and innovation rather than rigid hierarchy, systems that institutionalise best practice and monitor performance management. They also have formal systems for mentoring, and a strong base of good managers that provide role models for younger recruits. Any new approach for tackling management development in Africa MUST help foster these organisational enablers, and should perhaps bolster support with incentives such as ‘best employer’ rankings or awards.

One way of building organisational capacity and plugging the management gap is to place skilled managers directly with organisations, rather than training existing managers. Arguably this does not solve the longer-term problem, but can work with the right knowledge transfer strategies. A handful of organisations are experimenting with this approach. The African Management Services Company²⁹ (AMSCO), was founded by the UNDP and IFC to provide professional management and related services to private companies and commercially operated public enterprises in Africa. AMSCO managers aim to bring additional management capacity but also to develop local capacity through technical assistance and mentoring. D-Capital, the impact investment arm of global advisory firm Dalberg, is exploring a similar idea, whereby management talent would be ‘invested’ in mid-sized African companies in return for equity³⁰. LGT Philanthropy, another impact investor, has a similar placement system for social enterprises in developing countries, and is developing an online platform to scale up impact.

While there are pockets of excellence within the organisational development space, there is clearly room for improvement. This is a key area for potential impact. We might consider partnering with one or all of these capacity building institutions. For example could AMI frameworks and materials be leveraged to encourage knowledge transfer when placement managers are in situ? Could we work with these programs to develop organisational enablers? Chapter Eight explores these ideas.

²⁹ AMSCO website
³⁰ Interviews with D-Capital staff
SME, SGB and Entrepreneurs

What about small, growing and medium-sized businesses? Small and family businesses that lie between microenterprises and large corporations are engines for growth and job creation, contributing 51% to GDP and 57% to employment in high-per-capita-income countries. Developing the same base of small businesses in developing economies will set these economies on the path to more sustainable and balanced growth. One study by the World Resources Institute states that every $1 invested in a small and growing business (SGB) generates another $10 for the local economy.

Much has been written about the ‘missing middle’ in developing countries, and development institutions and impact investors have in recent years focused on channelling finance into this segment. However, interviews with private and impact investors suggest that the biggest barrier to growing the SGB and SME sector is not simply lack of capital, but lack of management capacity to absorb and effectively use that capital.

Several excellent initiatives aimed at building entrepreneurship and SME capacity have launched in recent years. However many of the best programs are donor funded, which raises questions about sustainability, and very few have so far managed to scale successfully. Below is a brief summary of some of the most effective programs:

---

32 Defined by the industry association, Aspen Network of Development Entrepreneurs (ANDE), as commercially viable businesses with between 5 and 250 employees that have strong potential for growth and thus for creating social and economic benefits in the community and more broadly, the economy.
IFC and ILO34:
The International Finance Corporation (IFC) and International Labour Organisation – traditional supporters of SMEs – provide short courses for small businesses in Africa and other developing countries through local delivery partners. IFC has developed a standard curriculum and set of materials under the IFC-Business Edge brand for SMEs, which is adapted for each market by local experts. Local training providers compete in a tender for the contract to deliver the branded course. IFC then trains the trainer, and ensures quality through an auditing process. ILO offers similar programs called WEDGE for women entrepreneurs, and Expand Your Business (EYB) for growing companies.

The IFC program has been relatively successful in terms of job creation, and fills a gap in some of the smaller markets. However its impact is very dependent on the quality of local training providers, which tends to be varied. Ability and willingness to pay is extremely low among target companies. IFC has tried to ensure sustainability by adopting an ‘ecosystem’ approach, where a large company will pay for its SME suppliers to take the course, or a large bank will pay for SME borrowers.

Goldman Sachs 10,000 Women35:
Goldman Sachs 10,000 Women is a five-year initiative to provide a business and management education to underserved female entrepreneurs in developing and emerging markets. This initiative is interesting because it is one of the few to reach relative scale. Rather than delivering a standardised curriculum through training providers, 10,000 Women partners with business schools and existing enterprise development programs to design and roll out local programs, based on some centralized frameworks. Goldman Sachs provides funding, a platform to share best practice, links and support from western business schools and branding for the local programs.

The program has so far trained 5,000 women and is working on an impact assessment tool to determine real impact in terms of job creation etc. A major drawback is cost and sustainability. Goldman Sachs funds almost 100% of the course, with some partnership contributions in-kind – delegates pay only transport costs. And, like the IFC and ILO models, the ability to scale is extremely

---

34 Interviews and IFC/ILO websites
35 Interviews and Goldman Sachs 10,000 Women website
dependent on local partners. As one of the senior managers pointed out, the initiative still only reaches about 100 women per year in some African countries.

**Business Bridge**

This innovative program blends online and face-to-face learning to target entrepreneurs in low-income markets. It is largely donor and government funded, and leverages MBA graduates as volunteer tutors. A mini case study in Chapter Six provides more detail.

Like the other SME programs, Business Bridge’s biggest challenges are finding the right partners for scaling up, and generating donations to fund expansion. It has commissioned an in-depth impact study, which will be the first randomized control trial assessment of a program of its kind.

**Peter Bamkole and the Lagos EDC**

Peter Bamkole, or ‘Banky’, as he is widely known, has built one of the most successful SME models in Africa, and is frequently cited as a leader in the field. His program is even more remarkable because it is entirely self sustaining – entrepreneurs pay almost $4,000 to attend Banky’s courses. If a plan by the Nigerian government to replicate his model around the country succeeds, it will be the first example of successful scalability in Africa outside a major business hub. Banky started his Enterprise Development Centre, which is now part of the Pan-African University, eight years ago to fill a need he identified for a highly practical and focused Certificate of Entrepreneurship. Students attend a 30-day 12-module program spread over 4-5 months, taught mainly by practitioners, and supported by an extensive mentoring system. Entrepreneurs have access to ‘experts in residence’, which leverages volunteers from around the world as part of a system monitored and administered by MBA students, as well as a range of partner organisations which provide support service and a network of entrepreneurial alumni.

The Nigerian government is funding a scale-up of the course in other cities in Nigeria, and the 10,000 Women project has sought to replicate several elements of the model on its program. The major question is whether a scaled up project will survive without Banky himself, a highly dynamic leader whose close relationships with the students arguably drive much of the program’s success.

**TechnoServe**

TechnoServe is a global NGO which blends market access and technical assistance with the training and development of entrepreneurs in poor and often rural areas of the developing world. TechnoServe focuses largely on the very base of our organisational pyramid. It introduces young

---

36 The Pan-African University grew from Lagos Business School
37 Based on TechnoServe website
people to business basics through in-school curricula and week-long camps at universities and technical institutes, leveraging private-sector mentors and working with capital providers. Its ‘entrepreneurship fundamentals’ courses for adults cater to a wide range of individuals, including farmers and local micro-entrepreneurs. Local trainers and trained and certified, enabling scale-up, although it still relies on donor funding.

TechnoServe also cultivates high-growth entrepreneurs through business plan competitions, with follow-up support for winners, although these reach relatively small numbers. It has developed an innovative approach to broader technical assistance, by using entrepreneurship support to strengthen whole industries. After pinpointing a high-potential industry, the organisation works with stakeholders to formulate a plan to develop it, concentrating on points of leverage along the value chain. It then helps a lead entrepreneur (or group) to build a successful business, refines the model, and applies it to many more enterprises across the sector.

**Branson Centre for Entrepreneurship**

This centre for young entrepreneurs in Johannesburg is fully funded by Richard Branson’s Virgin Unite group. It provides short part-time courses for entrepreneurs – who compete for acceptance on to the program – in business basics, which results in the production of a business plan. Entrepreneurs present their ideas to various experts and potential investors at Pitch Days, which generates mentoring. The centre, which is relatively new, is in the process of formalising mentoring systems, and has recently launched a follow-up ‘Advanced Entrepreneurship’ course, which is aimed at helping companies grow, and potentially raise investment.

The centre is currently working on a model for scaling and replication. It will probably involve training the trainer according to a standardised curriculum, although the centre has not yet identified delivery partners. The courses are virtually free, and therefore depend on continued Virgin Unite funding. The major competitive advantage for the Branson Centre is the power of the Branson name, which has real convening power, and generates opportunities for entrepreneurs.

---

38 Based on interviews and website
Conclusion

Africa’s Management Development Ecosystem is patchy and inconsistent with areas of need in every segment. Key areas for intervention include:

1) Inputs: Providers at all levels of the pyramid would benefit from high-quality inputs, including faculty development, teaching methodologies, materials, curricula and quality assurance systems. High quality inputs could help strengthen existing institutions and resource new schools and programs.

2) Top Tier Providers: Africa has only a handful of Tier-One management schools. Africa would benefit from more of these first class institutions to help stem the brain drain, generate thought leadership and potentially to provide support and resources for programs and institutions operating at lower levels of the pyramid. The best Tier One schools began as Greenfield operations, not as an offshoot of a university business studies department.

3) Middle-tier Providers: This is perhaps the most urgent area of concern. The training market is fragmented and needs quality assurance mechanisms and/or widely recognised and trusted brands of quality. Lower tier schools are expensive and overly academic. We need low-cost, practical and effective solutions for this segment. Could we use technology, or leverage the resources at Tier-One schools through a hub and spoke approach? Could we franchise a short but highly practical ‘Introduction to Management’ course?

Questions for consideration:

- Scalability is a major challenge for SME programs – could AMI develop mechanisms for identifying and training delivery partners? What about Tier 2-4 schools? Other ideas for scaling?
- Few SME programs have conducted thorough impact assessments. Would an M&E tool and a platform for sharing best practice be useful?
- How could SME programs be made more sustainable? Could we reduce costs? Could successful entrepreneurs repay a small % of profits?
4) SME Providers: There are some excellent initiatives in this space, but they need help scaling up, and generating funding and/or developing sustainable business models. Could we provide inputs to support them or their delivery partners? What about a monitoring and evaluation tool, or a platform for sharing best practice? Could successful entrepreneurs pay a small percentage of profits into an endowment fund?

5) Organisational Enablers: Educating individuals in isolation will not be enough. We need to work with organisations on enablers, such as developing the systems to support good management practice. Could we incentivise ‘good behaviour’ through awards or rankings and a scorecard of good practice?

These ideas and others will be considered in Chapter 8-9.
Chapter Six:

What works?

We know that Africa’s management education, training and development programs are insufficient to meet the needs of employers, investors, entrepreneurs and NGOs. Business schools and other training programs are too few, and frequently of poor quality. Content is often irrelevant and far removed from the realities of local economies, while teaching methods are old fashioned and overly academic. Yet there are pockets of excellence, across the learning ecosystem in Africa, as well as lessons that can be applied from other geographies and sectors. This chapter draws on the 50 interviews conducted for this report as well as desk research into different programs and institutions, to explore what tends to work well in management education and development, and conversely, what usually fails. It identifies eight characteristics, or properties, of successful programs or institutions, and provides concrete examples from across different delivery mechanisms. The report deliberately seeks to identify patterns that can be applied across different types of institutions or programs, to escape the constraints of existing categories when we move to generating new solutions. The eight characteristics are summarised below, then explored in more detail later in the chapter. Not all successful programs exhibit ALL of the points listed, but many of the best appear to have cultivated most of them. These are highlighted in micro case studies interspersed throughout the chapter.

Successful management development interventions, across delivery mechanism, are often:

1) **Entrepreneurial:** They are started from scratch by a strong local entrepreneur with ‘skin in the game’ and some independence from legacy institutions. They are often legally non-profit but are operationally self-sustaining.

2) **Interactive:** They foster communities of learning and build networks of like-minded people exhibiting good management practices. Formal learning is combined with mentorship, follow-up activities and opportunities to practice teamwork and peer-to-peer learning.

3) **Practice-based:** Many African managers are well qualified on paper but ill equipped for work. The best programs (business schools AND SME programs) use case studies, action learning, experiential learning and consulting projects to help managers translate what they learn in the classroom into the boardroom. They avoid the traditional ‘chalk and talk’ approach.
4) **Relevant**: They are rooted in the local political, social, cultural and economic context. They draw on content and curricula that is adapted to the particularities of the local economy and generates frank and open discussion about managing in the local environment.

5) **Accessible**: There is room for excellent premium-priced business schools in Africa. But to achieve real scale, programs need to be accessible. Successful FET colleges (which are outside our scope but potentially a useful source of ideas) use staggered and flexible payment terms to accommodate student cash-flow. Some schools extend their reach through distance and online learning. SME training providers typically need to subsidise fees.

6) **Aspirational**: Materials and facilities are high-quality and aspirational, although not necessarily expensive. Faculty and facilitators are often seasoned executives with experience in business. Institutions may draw on expertise from partners. A quality assurance system is in place. The perception of quality is often as important as quality itself. To scale successfully, programs must be widely recognised and trusted. Some boost credibility through accreditation, although Africa lacks widely-recognised and relevant accreditation systems. Well-respected partners can also be useful for creating brand credibility.

7) **Perceived value**: The best programs are linked to clear outcomes and value. SME programs link training with finance for entrepreneurs that meet criteria. Good business schools and colleges link successful completion of a course with employment prospects through career services, and successful executive education links training with performance management.

8) **Connected**: Successful programs form partners and networks to scale up impact. They also form partnerships with more developed institutions in other countries to help fill resource gaps, such as qualified faculty, and to boost their own brand.

****

Each of the eight characteristics will be discussed in more detail below, with quotes from interviews to illustrate each point. This chapter also features several mini case studies of institutions and programs that have shown success, and offer useful ideas and learning.

1) **Entrepreneurial**

Several of Africa’s most effective business schools began as Greenfield start-ups led by strong local entrepreneurs. South Africa’s Gordon Institute of Business Science, Kenya’s Strathmore Business School and Nigeria’s Lagos Business School were all started from scratch (rather than building on the
business studies department of a traditional university), by dynamic local individuals or groups or individuals with strong business links and entrepreneurial drive:

_South African business school:_ I was an entrepreneur with serious skin in the game, not a dean having a go as part of his usual job... I had a pragmatic mind, not overly academic... You need a strong local personality, someone with local commercial acumen.

_Business education NGO:_ We have found that two things are crucial for success: 1) leadership 2) An institution that has enough independence to innovate. Very often business schools are in a straightjacket because of university bureaucracy and can’t move. You need an authorising environment that enables change.

_Ghanaian management school:_ You need a bull-headed leader for the start-up phase – someone who is familiar with international business education best practice, but also locally grounded.

Starting a brand new management school, rather than revamping the business studies department of a traditional university, allows for the kind of enterprising approach that is required in emerging markets, as noted by the dean of a highly innovative Russian business school:

_The great advantage we had is that we started as a Greenfield operation from scratch. The advantage is that we could experiment and do something different._

Conversely, business schools or departments constrained by traditional university structures are typically run by career academics. These schools sometimes struggle to innovate and to build strong relationships with local business. They often lack thriving executive education programs, limiting income. The advantages that a university base can bring include quality assurance of academic standards, institutional longevity, the possibility of drawing on academic resources in other departments, and a critical perspective on the role of business in society. Private ventures need to consider how to ensure academic quality and substance, while university-based ventures need to consider how to be free of the stultifying effect of bureaucracy and a model that is largely inappropriate to the mission of a business school.

_Ghanaian business school:_ As the dean of a biz school, I can’t even write a cheque for $100, even though we generate $4 million a year, without the university giving the go-ahead. If you’re a private institution you don’t have to deal with these constraints.

Schools and programs appear to be most successful when they are started in response to a clear market need, rather than as a purely educational endeavour. Many successful schools start with a high-margin executive education program for senior managers, possibly using temporary facilities
and suitcase academics, and build the school organically through dynamic leadership and strong relationships with local industry. They are usually self-sustaining but non-profit. This was the case with Lagos Business School and GIBS. More recently, new executive programs have been started in Angola and Ivory Coast in partnership with Spain’s IESE, with a view to establishing a fully-fledged business school, and schools such as the University of Stellenbosch Business School and France’s INSEAD have experimented with establishing a foothold in new territories through ad-hoc executive education programs:

Nigerian business school: Our school was started by three individuals who saw a business opportunity. There was only one management development centre here in Nigeria, but it was run like a government para-statal and was not meeting the needs of managers. So you had a lot of companies who wanted training. We started with executive education and that has been the core ever since.

South African business school: I started by talking to the CEOs, going around talking to them one by one, getting their buy-in. And I would say that’s how you start a business school, you start with a blistering 4 week program for those CEOs, show them quality they have never seen before.

---

**Lagos Business School: Filling a market need with global standards & local relevance**

Lagos Business School (LBS) was started in 1991 by a trio of entrepreneurs as a small institution called the Centre for Professional Communications (CPC), offering management courses relevant to the Nigerian business environment. It was started in direct response to a market need: there was simply no other practical management development and training available in Nigeria at the time.

LBS led to the launch of the Pan-African University. But before the University was established, LBS benefited from the help of IESE Business School in Barcelona, Spain, and continues to do so today. IESE is one of the leading business schools in the world and has provided constant support to LBS, including through faculty support and training. LBS began with executive education, which did not require large investment in facilities, and allowed the founding entrepreneurs to test the market.

The first facilities were not built until 1994. Reflecting the business school’s close links with business, LBS named three classrooms named after corporate sponsors Shell, Chevron and IBTC. In 1996, some land on the Lekki peninsular area of Lagos State, was allocated to LBS by the Lagos State Government for the construction of what is now the permanent site of the School.

LBS applied for a license to operate as a private university, but began a joint Executive MBA programme with IESE Business School, Barcelona in 1996, while it waited. In January 2002, the Federal Government granted approval for the establishment of Pan-African University, and Lagos Business School launched its own Executive MBA programme the same year. The full-time MBA programme was added in 2003 to develop younger professionals as functional managers with global perspectives and practical management knowledge relevant to the Nigerian business environment. A doctoral programme started in 2006 in response to the School’s need for more research work to support the practice of management in Nigeria.

In 2007, LBS was ranked by the Financial Times among its top 50 business schools in the world in the area of open enrolment executive education programmes. LBS is the still the only Nigerian business school to be included in this prestigious world ranking.
LBS is ENTREPRENEURIAL (it was started in response to a market need), INTERACTIVE (it builds networks of like-minded peers), it uses highly PRACTICE-BASED teaching methods (90% of classes use the case method), it ensures RELEVANCE through close relationships with business, it established an ASPIRATIONAL and high-quality brand by CONNECTING with IESE. While LBS itself is an elite institution, it has tried to increase ACCESSIBILITY through its links with the Pan-African University’s Enterprise Development Centre (see below) for SMEs, and by supporting other less advanced African business schools, such as the School of Finance and Banking in Rwanda. The PERCEIVED VALUE is evident through the record of graduate employment.

2) Interactive

Stand-alone courses taught in isolation can sometimes contribute to the ‘diploma mill’ effect, where managers take courses purely for CV-building purposes. The best programs instead work to build communities of learning, which include opportunities for interaction, networking and mentorship. This helps build a critical mass of like-minded people committed to management best practice, and encourages continued learning:

*Iternal consultant: If I’m a mid-level manager, being part of a community that provides regular access to new perspectives and where I can meet industry leaders may be more useful than learning a load of frameworks. You need to grow a peer group that have expectations of, and compete with, each other. There is something about a living network of people.*

*Nigerian HR consultant: We need people who are fully committed, some kind of critical mass – a lot of people trying to get the message through. It needs to be done in various places at the same time.*

*Business education NGO: What really works is to connect people to other people who become lifelong comrades for discussion and learning. Informal connections, getting people out of isolation and giving them trusted contacts around the world who can really help them advance their careers.*

Several senior leadership programs including the Archbishop Desmond Tutu Leadership Fellowship Program, run by the African Leadership Institute, The African Leadership Network, and global programs such as the World Economic Forum Young Global Leaders have taken a network-driven approach. The ALI program is run in conjunction with Oxford University and connects leaders from different backgrounds for an intense short course and experiences with the goal of spawning networks and communities of visionaries that can help each other tackle major problems (see box). Interestingly, two of the interviewees for this study are ALI alumni, and both spoke enthusiastically about the program and network.
The Archbishop Tutu Leadership Fellowship Programme: Learning in Community

The Archbishop Tutu Leadership Fellowship Programme is an annual programme launched in 2006. The Programme is run in conjunction with Oxford University, a variety of institutions across Africa and commercial sponsors, and is designed to provide a wide range of leadership learning experiences to a select group of young Africans who are expected to rise to top leadership positions in their spheres of activity over the next 5 to 20 years. The Fellows are drawn from across Africa and from various sectors, ranging from commerce to charities. They are selected entirely on merit, without regard to ethnicity or gender. The object of the Programme is not to “teach” leadership in the classical business school sense, but to create a variety of opportunities for the Fellows to explore in depth what leadership really means for them, to reflect and internalise the learning, and to apply it in practice. Particular emphasis is placed on African leadership in a global context. The classroom work is supplemented by stimulating projects and with talks by established internationally recognised leaders in different spheres, who share their experiences of the challenges and secrets of leadership.

AfLI is aiming to develop a networked community of future leaders across Africa – members of an alumni who have been exposed to a wide variety of leadership learning experiences from both an African and global perspective – who will have at their disposal the facilities, the connectivity, the intellectual foundation and the rich human resources of the Institute and alumni to influence change. They will be applying leadership in practical applications that will make a difference to their communities. As Fellows of the Institute they will feel the collective expectation to make a difference and the peer pressure to do it.

(Source: http://www.alinstitute.org/default.aspx)

***

The program is highly INTERACTIVE, because it fosters networks of peers. It tackles issues that are highly RELEVANT to Africa, and uses PRACTICE-BASED methods to surface learning. The program is ENTREPRENEURIAL (it was started from scratch in response to a need), highly ASPIRATIONAL, thanks to its high-profile patron. It is CONNECTED to other organisations, including Oxford University. It is only moderately ACCESSIBLE, and depends on sponsorship, which limits its impact to a small group each year.

The Russian business school mentioned earlier goes as far as engineering its MBA classes to maximise the social power of the program and to ensure diversity of professional background and interests. It then leverages the knowledge in the room to enable peer-to-peer teaching:

*We have a wide range of ability in the class, because it is engineered that way. So instead of all students taking all classes, they only take the ones where they’re in the lower half of the tail, and in the other classes they coach the lower tail. This gets team spirit going. It’s very effective.*
Mentorship and coaching was cited by respondents as a critical success factor for both managers in companies and entrepreneurs starting businesses, especially when delivered in conjunction with more formal learning:

Nigerian consumer group: More formal & structured programs need to work together with mentoring. I think Africans are good coaches and mentors - they do see that as a responsibility. One of the positives of the hierarchical system is that there is a responsibility to do things for your community. You can USE that by getting senior managers to coach.

Peter Bamkole (Banky), whose Enterprise Development Centre in Lagos is widely viewed as one of the most successful interventions for developing entrepreneurship in Africa, has developed highly structured systems of face-to-face and electronic mentorship with effective feedback loops administered by MBA students:

We believe strongly that in first year of running any program you need to handhold the people you are training. Like in the first year of child’s life – it’s the same process with building the entrepreneur. Mentorship is key – learning from those that have been before you. We do mentoring in person and electronically. We use volunteers from around the world, and use MBA students to monitor the whole process.

Networking was also cited as a strong incentive for persuading managers to attend (and pay for) training and education, and as a highly effective way of exposing African managers to international best practice:

International professional services firm: If I think of management training overall, it’s the opportunity to network that is most valuable. We run new manager events here to give African managers the opportunity to network with their counterparts around the continent. It’s very popular.

Several respondents suggested encouraging networking and creating learning opportunities through more exchange programs between African countries:

Kenyan start-up: We need more exchange programs. We need to find good people in African settings and take them outside – even if it’s just outside your country. They need to see how other people do things. So why don’t you bring people from Nigeria to Kenya to learn about ICT, and people from Kenya to Nigeria to learn about financial services? That will help expose more people.

3) Practice-based

Too many business schools and training programs rely on the ‘chalk and talk’ lecture model, which encourages learning by rote rather than critical thinking, and does not help students apply learning to the real world. Interviewees were virtually unanimous in advocating more interactive and
practical learning methods. The case study method is popular in management education globally because it cultivates the kind of critical thinking and decision-making skills which we noted in chapter two is lacking in Africa. Africa’s best business schools use the case method (LBS says 90 percent of classroom time is participatory). The African Association of Business Schools has been promoting the case method through case writing workshops and competition, and has built an online library of over 250 cases, most of them African, which are regularly downloaded.

Several respondents argued that deeper experiential learning had been more effective than case studies. This might include company visits, learning journeys, simulations and role plays. One multinational company strengthens the impact of role playing by having a senior manager observe students:

*Managers want more practical scenarios. Although they say they hate role plays, they often actually admit how useful they are. When they’re being observed by someone more senior they take it more seriously and get more out of it.*

For non-academic programs, interactive learning can mean drawing on the experience in the room. Banky’s EDC, Business Bridge - an innovative blended learning program for SMEs in South Africa and Ghana - and the IFC’s Business Edge program for small businesses in developing countries, all use practical examples from the facilitator’s own experience, or ‘live case studies’ from the class, to ground learning:

*Nigerian SME program: We make it very very practical, so for example I get a tax consultant working with small business to teach tax, a commercial lawyer to teach law. When the students see that people understand their problems and can give real solutions they get really excited.*

In Rwanda, a business school developed short films with basic role plays for training bank managers that feature real scenarios staff typically face:

*We highlight real issues, like - What happens when someone comes and says they are the brother of the boss and they should go to the front of the line? What happens if someone comes in with a gun? I’m forcing managers away from rules to think about complicated situations that can arise and how they’d respond.*

GIBS emphasises engagement and peer learning in its executive education programs:
We’ve recognised the necessity of student centred learning. So instead of lecturing on leadership, let’s engage with leaders. A lot of the knowledge and experience is in the classroom already. The teacher is often really acting as a facilitator.

Action learning works particularly well when it is integrated back into a manager’s daily workload. One South African multi-national designed with a local business school an action learning-based program for senior executives, where managers were grouped into teams and assigned a real strategic problem and presented their solution to the company’s executive board (see box for more info). The program has generated new product lines and business units.

A practical approach to filling management gaps at an emerging multinational

As a first-generation multinational with a strong South African heritage, this consumer goods company traditionally exported South African managers to its African operations. But it is now under pressure to develop local leaders. It has developed a blended approach to learning, combining intensive and expensive executive programs, online resources for basic skills acquisition and partnerships with local institutes for developing artisanal and technical skills. Each intervention is grounded firmly in the realities and practicalities of the company’s core brewing business.

EXECUTIVE DEVELOPMENT: Senior managers are placed in teams with colleagues from across the continent, and given a real-life business problem to solve. Examples include revamping a struggling product line, or designing a distribution strategy for a new market. The teams work on the project over 6 months, in addition to their normal jobs and attending more formal classroom sessions. They frequently pilot their project. At the end of the six month course the teams present their projects to the senior executive committee, and the best are often implemented. The experience is far more powerful than lectures or even case study discussions, and generates networks of high performers.

ONLINE AND TELECONFERENCING: To supplement the high-cost executive programs and to increase learning accessibility, the company requires all managers to complete online courses to update their knowledge and continually acquire new skill-sets. Online resources are compiled by in-house experts and external consultants, and adapted by locals where relevant. The static materials are often complemented with scheduled webinars. Where bandwidth is insufficient, teleconferencing is used alongside offline text, video and audio materials. The company ensures relevance and links learning to incentives by integrating online training into its performance management system, and ensuring that all short courses involve at least some senior managers who can apply theory directly to the business.

TECHNICAL COLLEGES: This does not apply directly to management, but the model could be transferable. The company has plugged a gap in technical skills in Africa by developing its own courses and curricula, with academic accreditation, delivered through local colleges. It is looking at expanding this program.

The company has developed different tiers of program which each exhibit different characteristics. The executive program is INTERACTIVE (it is team-based), the teaching methodology is PRACTICE-BASED. The program itself is innovative and ENTREPRENEURIAL, and was designed by a top business school to provide an ASPIRATIONAL element.

Clearly the executive program is not particularly ACCESSIBLE, but the online and technical colleges meet that criterion instead. In all programs, there is clear PERCEIVED VALUE (either performance management credits or access to senior management) and training is directly RELEVANT to the business. External CONNECTIONS are less important in this instance because the programs are company specific.
Action learning projects can include tasks within organisations, writing a business plan, analysing problems, making recommendations and sometimes running pilots. One business school in Ghana has recently scrapped the MBA thesis in favour of a consulting project, and said its graduates are already leaving better equipped for the workplace:

*Before, we had people graduating with no clue how to write a business plan or a feasibility study. That’s just wrong.*

Action learning, placements and internships can also be a way of rooting students more deeply in local context, and of helping fill the skills gap in rural or other under-resourced areas. One South African business school is planning to introduce a whole semester of project-based action learning, requiring students to come up with an innovative plan to tackle a major social problem facing the country. Examples include financially sustainable approaches to healthcare in rural areas, or a model for an affordable but for-profit primary school. Other schools are considering requiring students to spend time on placement with an organisation in an underserved area – imitating the model used in medical schools and teaching colleges to channel resources to remote clinics and schools. As the dean of that school commented: “*If you want to change people, confront them with reality.*”

Skolkovo Management School in Russia takes action learning to its extreme, with the majority of its MBA course spent in the field on team-based consulting projects in five different countries (see BOX). The program is built on three dimensions of 1) Entrepreneurial Leadership, 2) Experiential Learning and 3) Fast-moving Economies, and is highly effective in its goal of developing entrepreneurial leaders for emerging markets: half its MBA graduates go on to start their own businesses:

*Skolkovo dean: What is really unique about Skolkovo is that we do so much action learning... So instead of trying to bring reality into classroom why not take students into reality, build a pedagogical support structure around it to support them. If you want to understand difficult environs you have to experience them. It’s not easy to manage, but it seems to fit with our mission...*
Skolkovo: An Entrepreneurial program for Emerging Market Leaders

The SKOLKOVO program is the only one in the world where two thirds of the educational process consists not of traditional lectures, but of consulting projects that students conduct in real companies. Of the program’s 16 months, only 4 are devoted to lectures.

The four months of intensive classroom study includes guest-speaker lectures including CEOs, entrepreneurs and “live legends” of business. The remaining 12 months consist of five consulting projects spent in four different countries:

- Social entrepreneurship and outsourcing in India
- Marketing and manufacturing in China
- Cooperating with the Government in Russia
- Supporting the second stage of start-ups in the USA
- Launching a start-up in Russia

Students develop their start-up ideas, either individually or in teams, during the course. When they return to Russia they work with experts and mentors to launch their businesses, and finally pitch their start-ups to a panel of professional VCs and angel investors. The best are awarded funding, and all students can apply for the on-campus Skolkovo accelerator and incubator programs.

The Skolkovo model is highly ENTREPRENEURIAL, INTERACTIVE (consulting projects are team-based, and teams are engineered for diversity), PRACTICE-BASED (experiential learning is at the core of the program), RELEVANT (focused on the realities of business in emerging markets). It is ASPIRATIONAL and has clear PERCEIVED VALUE (successful students get funding and help launching their own businesses). The business school is highly CONNECTED to business, particularly with the Russian elite, which enhances brand equity (within Russia, at least). Like several of the examples cited in this report, this institution does NOT attempt to be ACCESSIBLE. At 60,000 euros per student it is very expensive, and consciously targets the elite.


4) Relevant

Case studies and role plays are useful teaching methods, but only if the scenarios addressed are relevant to the manager’s local context. Too often, business schools and training providers simply import courses, curricula and materials from institutions in more developed countries, and fail to address the specific needs of African economies and organisations (some of which were outlined in chapter 2).

Local relevance begins with the institution itself, and its role in the local economy. The best business schools and training providers have cultivated strong relationships with local business and government leaders, and place executive education at the core of their business model. There are obvious financial advantages to this approach, especially once a program has built a pipeline of successful alumni:

*Nigerian business school: Our real focus is executive education. We have strong relationship with the private sector – all our brick and mortar is built with donations from the private sector. It was a conscious decision – this is the market we are trying to serve. It’s the core to who we are.*
Kenyan business school: When we re-launched the business school, we looked to alumni and found people who could help provide links with business. It’s important to ensure that the advisory board is grounded in local business and well connected. We included experienced professionals, successful alumni.

Nigerian foundation: Too often the (business schools) haven’t got a clue about the local environment, and they’re not connected. I interviewed four deans recently and only two really had any links with business. Schools need to be embedded in business, they need to relevant.

The best schools also play a role in local thought leadership that builds credibility and makes them a crucial part of the local economic fabric:

South African business school: Deans shouldn’t be spending too much time at the business school, they should be out talking to the CEOs. Don’t sell, don’t talk to them about your business school, talk to them about their businesses. Be a sounding board – businesses want that.

However, while Africa clearly needs academics that create new knowledge, contribute to global intellectual debate and provide the rigor to underpin a strong business sector, most interviewees agreed that basic management education, training and development rooted in practical reality was a more pressing priority than publishing academic articles in top-tier journals:

Ghanaian management school: Our mission should be about teaching and contributing to society, more than research. We are faced with major challenges, and until we meet those challenges business schools will continue to be irrelevant.

South African business school: Get it going, focus on executive education, be relevant for your economy, THEN you can worry about research.

The Indian School of Business has adopted a hybrid approach to the rigor versus relevance debate. In many ways, the school has replicated the standard Ivy League model in India, with state-of-the-art facilities, high fees, and faculty incentivized to publish in top-tier journals. However, the school has created a Centre for Emerging Markets, which has eschewed this model and abandoned traditional research in favour of action research and entrepreneurial projects rooted in the realities of modern India. The centre aims to connect stakeholders around key issues facing emerging markets, such as affordable housing, sanitation, and design thinking. It then pulls together a thinking group, led by an entrepreneur, and aims to generate actual pilots, rather than only academic papers. The centre’s associate director explained:

What emerging markets need is applied research. So we don’t just think about ideas and do research, we actually help entrepreneurs put a pilot together. Harvard and Wharton don’t get their hands dirty – we do. We decided our research had to mean something. So unlike the rest of ISB, we are not
aiming for top-tier journals. We have a lot of practitioners on faculty rather than tenured academics. That is a huge thing for ISB as a school trying to be global. So we do more white papers, policy documents, think tanks, foundations, case studies, that kind of thing.

Relevance is not just about being close to business. Curricula and materials also need to reflect the realities of local economies. Why, for example, do African business schools teach complex financial derivative engineering, and not development finance or microfinance? Why, in countries with volatile currencies, are there no courses on foreign exchange hedging? What about courses on public policy, in economies still dominated by the state? Some interviewees even suggested that business schools and training providers should shape courses around industries that are central to local economies, or which provide potential for comparative advantage at a national level, such as resources or agriculture (See BOX in Chapter Eight):

Kenyan manufacturer: If I had my way I would redefine the courses and make them relevant to Africa, relevant to growing economies, relevant to the ethical challenges we face, and focused on the industries where we can compete globally.

Ghanaian business school: The curricula of African schools are exactly like western schools – we are training people to work in western multinationals when in fact most African companies are small or mid-sized. There is very little on the specific business environment – what about navigating the public sector and policy?

Nigerian business school: We seek to understand Nigeria. What we sell is local relevance and that implies an understanding of the environment. For example, in operations management, western schools teach the Just-In-Time inventory method – you come and teach that in Nigeria and you will be dead. In Nigeria it’s just in case not just in time!!

Several respondents noted that the state still plays a huge role in most emerging market economies, and this needed to be reflected in business school curricula and faculty expertise. The international thinking group advising the Aga Khan Development Network on the establishment of a new school in East Africa have advocated for a ‘management school’ rather than a business school.

Indian business school: I think it is even more necessary in emerging markets to have links with the public and third sector. Most emerging markets are not 100 percent capitalist. So if you only focus on business leaders you won’t have a big enough impact.

39 Some schools DO teach these subjects, but they are far from ubiquitous.
5) Accessible

To achieve widespread impact in management development, programs must be accessible. Clearly, as illustrated in chapter five, there is room for top African management schools that cater to the elite, charge high fees, and serve as centres of excellence and thought leadership. But, as several interviewees noted, any attempt to also reach a broader audience will require a new business model based on radically lower fees and a significantly smaller cost base:

*International SME program: There is just a handful of leading business schools, and they don’t have the capacity to reach large numbers of people. We need more innovative approaches around delivery. In most African countries the training market is very underdeveloped. We can’t stop at institutions in the capital city offering courses to companies and students that can afford it.*

Some further education colleges offering business and management courses in Africa and other emerging markets have managed to radically reduce fees to increase accessibility. In Latin America, for-profit FET colleges such as Anhanguera Educaciona in Brazil and Uninimuto in Colombia, run highly standardized and targeted certificate courses to huge volumes of students. Both have been financed by the IFC. Many use franchise models, centralising some functions such as the production of materials and text books, to cut costs. They integrate some online learning, and use facilitators (often former students) rather than fully qualified faculty. In South Africa, Further Education and Training (FET) colleges have also radically reduced cost, relying on low-margin high-volume models. Clearly they do not compete with high-quality business schools, but they provide basic management and business skills to poorer students, often outside the biggest cities, and have shows impressive success rates for getting students into work. There may be elements of the business model that could be applied to higher level management institutions (See BOX below).

FET colleges have increased accessibility by matching course fees to student cash-flow, for example by allowing smaller flexible payments rather than a large sum upfront. Banky’s EDC in Lagos has also developed a flexible payment model. For obvious financial reasons, virtually all successful management development programs and institutions in Africa offer modular and part-time options which allow students to work and study simultaneously. Perhaps there is even scope to extend the flexible payment model to experiment with a pay-as-you-go low-cost modular MBA made up of several cheaper certificate programs (see Chapter 8). Another route to greater accessibility might be to work with financial institutions on student loan packages – the IFC has done this in several emerging markets at both the secondary and tertiary level.
South Africa’s no-frills FET colleges: Extending Accessibility... at a profit

(Taken from Monitor Group 2011 report on ‘Market-based Solutions to Poverty in Africa’)

More than 700 FETs offer learning opportunities for approximately 700,000 South African students in a market estimated at R1.2-R3.7 billion ($170-530 million). No single FET is especially large although in combination they reach many students with a business model that enables most colleges to operate with healthy margins. Students who find formal employment afterwards typically more than double their incomes compared to previous earnings or earning potential without the qualification.

These colleges increase ACCESSIBILITY by:

- **Minimising costs**: Instructors are prepared via paraskilling; standardised courses; specialisation in one or a small number of disciplines; location in basic, out-of-town premises; and use of bootstrap capital at start up.
- **Matching payment terms to student cash flow**: Payment terms are regular but flexible to match inconsistent cash flows.
- **Diversifying the customer base**: Catering to students from a range of income groups uses almost certain payment from relatively affluent students to subsidise the poorest students, who pose higher risk of default. This practice smooths revenue streams and helps to ensure the college will cover its costs.
- **Offering value-added services**: To enhance students’ employability, the colleges provide work experience, work placement, training, and even driving lessons.

**An example: Jeppe College of Commerce and Computer Studies**

Jeppe College is the biggest and most established among FETs in the research sample. Founded in 1997 in Johannesburg, the college now has nearly 2,800 students across four campuses: Johannesburg, Tshwane (Pretoria), Polokwane and Vereeniging. The college concentrates on training individuals who have left school recently, offering school completion, National Senior Certificate (matric) rewrites, and further education and training courses in commercial and information technology subjects.

Most FETs use some form of paraskilling to reduce staff costs, but Jeppe uses a different approach. Many of its staff possess university degrees, enabling them to teach multiple subjects, increasing staffing efficiencies and utilisation rates. Jeppe also invests heavily in its teachers’ professional development, which reduces churn (and thus training and recruitment costs) and improves internal capabilities, which reduces the need to use expensive external service providers.

An important part of Jeppe’s appeal to students is the promise to help graduates find a job at the end of their course. The college offers career advice, a job placement programme (students’ CVs are stored on a database and sent to employers at their request), and actively cultivates relationships with employers, such as Nedbank, First National Bank, Hyatt Hotels, and Bytes Technology Group. In some cases, the college helps students arrange three-months of on-the-job training experience as part of their course. All of these activities pay off in the high percentage of students who find employment after graduation”.

****

Jeppe and the FET colleges are ENTREPRENEURIAL (they were established to meet a market need), INTERACTIVE, RELEVANT (courses are highly vocational), ACCESSIBLE and there is clear PERCEIVED VALUE (they are highly focused on employment prospects). There is clearly a quality-accessibility trade-off, which means they are generally not ASPIRATIONAL. It is questionable whether teaching is PRACTICE-BASED, and the colleges would probably benefit from being better CONNECTED, possibly by partnering with more trusted institutions and brands.

---

40 The example here is focused on the model, rather than its implementation in South Africa, where it has suffered from a historical legacy of poor quality.
Several programs targeting SMEs have struggled with willingness to pay, especially when the brand is not well established. Banky’s EDC in Lagos has succeeded in charging high fees ($4,500) for its highly popular course in Lagos, but had to subsidise students before the brand was established. But when the model was replicated at Strathmore in Nairobi, there was no take up until fees were waived and subsidised by donors. Both Business Bridge and Business Edge offer their small business training within a wider industry ecosystem, so that large companies often pay for their small suppliers to go through the course, while banks pay for small business clients. And Goldman Sachs 10,000 Women and the Branson Centre provide funding so that programs are virtually free for participants.

Most good business schools in Africa have positioned their courses as premium products, and therefore have not experimented with radically lower-cost models. At $6,000-$20,000, depending on the school and the country, an African MBA is much cheaper than at U.S. or European schools, but still far too expensive for most managers. While many schools do attempt to keep costs down by subsidizing MBA programs with more lucrative executive education programs, lower fees could radically increase accessibility. A CarringtonCrisp survey of MBA students globally showed that ‘Value for Money’ was a top priority for African students, more so than in any other geography. One option, of course, is distance learning, and business schools are increasingly experimenting with this option, given the potential of technology to reach a wider audience. The CarringtonCrisp survey showed that African MBA students had a larger preference for distance learning than any other geography, and the smallest preference for full-time courses.

South African university MANCOSA has taken its distance learning model to 13 countries in southern Africa, and is increasingly moving content online. South Africa’s UNISA is one of the world’s largest distance learning universities, and is expanding its business education offering into other countries including Ethiopia, Ghana and Kenya, through partnerships with local institutions.

Another area with huge potential for extending accessibility is online learning. After early doubts about its effectiveness, online learning is starting to show real impact in other regions. As an HBR blog post recently noted, Harvard Business School Professor Clayton Christensen predicted four years ago that online education would take off slowly and then hit everyone by surprise. He was right: online education has exploded over the past several years, with 5.6 million students in the US taking at least one web-based class during the fall 2009 semester, up 21 percent on the previous

---

41 CarringtonCrisp survey, presented at EFMD conference on African business education
year\textsuperscript{43}. According to the HBR blog, approximately 5.6 million students took at least one web-based class during the fall 2009 semester, which marked a 21% growth from the previous year. The Khan Academy in California has successfully used online gaming to supplement maths and science teaching in schools (See BOX below). This method means that the basics can be done online, liberating expensive classroom time for deeper, more applied learning. Teachers then become “professional coaches and content architects”\textsuperscript{44}. Stanford had a huge response when it broadcast its Artificial Intelligence class online through short videos and exercises, which are marked using AI, reducing professor man-hours. Students gain Stanford credits and a certificate. The University of the People (www.uopeople.com) has launched the world’s first free online university. It tries to cater for students in countries with low bandwidth by limiting video content and by using asynchronous forums (where students and faculty can post anytime) rather than live synchronous chat rooms at predetermined times.

### The Khan Academy: A free world-class education for anyone with an Internet connection

The Khan Academy is a not-for-profit organisation which aims to change education for the better by providing a free world-class education to anyone anywhere with an Internet connection. It was started by hedge fund manager and Harvard MBA turned social entrepreneur, Sal Khan, who discovered the need for high-quality online quantitative learning when he started making YouTube math videos made for his 6\textsuperscript{th} grade cousin.

The Khan Academy focuses mainly on maths and science. Students access extensive video library, practice exercises, and assessments from any computer with access to the web, for free. Adaptive assessment exercises mean students can work at their own pace. Every time a student works on a problem or watches a video, the Khan Academy remembers what they’ve learned, and provides at-a-glance information to students, teachers and coaches. The site also creates a custom profile for users, with points and badges to create a ‘gaming’ feel, and to provide competitive incentives.

Coaches, parents, and teachers have visibility into what their students are learning and doing. Teachers can get a summary of class performance as a whole or dive into a particular student’s profile. The real-time dashboard allows coaches to quickly figure out how to best spend their time teaching.

The Khan model ‘flips’ the traditional learning experience, so that students do the passive learning in their own time, liberating expensive classroom time for more ‘infectious’ active and applied learning.

The Khan Academy is highly ENTREPRENEURAL, it uses features from gaming as well as classroom time to ensure that learning remains INTERACTIVE, it has the potential to be PRACTICE-BASED, is extremely ACCESSIBLE and high QUALITY. RELEVANCE is ensured by teachers and coaches. The organisation is starting to CONNECT through a network of partner schools and institutions that use the system.

\textsuperscript{43} 2010 Sloan Survey of Online Learning  
\textsuperscript{44} HBR blog
Clearly online learning is no silver bullet. The 2010 Sloan Survey of Online Learning as well as international experience suggests that technology works best when blended with traditional classroom teaching. It is arguably most useful for quantitative subjects. More importantly, Internet access is still low in Africa 12.8 percent. However access has doubled in three years, bandwidth speeds are improving fast with the arrival of new subsea cables and prices are dropping. Figures are much higher in some countries, particularly in urban areas and among younger people: Africa has over 30 million Facebook users, for example, and internet penetration in Nigeria is over 40%. The rapid spread of mobile phones (penetration is now over 50% in Africa), and the emergence of low-cost smart phones will further accelerate increased access.

Business Bridge, started by London Business School Professor Michael Hay, offers an interesting model of blended online and offline learning, which targets entrepreneurs in South Africa, Ghana and India, and plans to expand into more countries (see BOX).

---

**Business Bridge: a blended approach to low-cost business education**

Business Bridge’s vision is to provide high quality business education for virtually no fee on a global scale to those individuals who would benefit. It does this through [online learning](#) augmented by [face-to-face tutoring](#) by trained business school alumni delivered through a [network of local hubs](#) provided by partners.

The Business Bridge Initiative offers a one year, part-time business programme to equip students with the knowledge and skills to master the business world. Students study 4 modules: Sales, Marketing & Strategy, Finance & Making Things Happen (HR & project management).

Each module last 8 weeks. In each of these weeks students attend a 3 hour class at their local learning centre. In addition to this class, there is 3 hours self-paced online learning to complete, using high-quality and interactive materials (see [http://www.thebusinessbridge.org/Exercise](http://www.thebusinessbridge.org/Exercise) for examples of online learning).

Students graduate with a certificate and leave with the confidence and skills to develop their own business or pursue other employment opportunities. Students sign up to take the programme at Business Bridge’s partner learning centres. All course sessions take place at these centres which also provide free access to all on-line study materials. Business Bridge also works with leading business schools to ensure program quality and best business education practice.

Business Bridge has started by focusing on entrepreneurs, but plans to expand into serving companies looking for training programs for entry-level managers. It is funded by government agencies and philanthropic donations, with a small fee paid by students.

---


46 Accessed at [www.internetstatsworld.com](http://www.internetstatsworld.com)
Early impact studies show extremely high approval ratings from students. 28% of entrepreneurs had created jobs within four months of completing the program. The program has reached 150 entrepreneurs and plans to expand in South Africa, Ghana and India.

***

Business Bridge is ENTREPRENEURIAL, INTERACTIVE (like-minded students form strong relationships during the 8-week class), PRACTICE-BASED (tutors use ‘live case studies’ based on the experience in the room), RELEVANT (tutors adapt material to the local environment) and ACCESSIBLE (online element reduces cost). It has sought to develop an ASPIRATIONAL credibility through CONNECTING with business schools and other partner institutions, which deliver the courses and provide clear PERCEIVED VALUE by offering finance and other services.

Source: http://www.thebusinessbridge.org/

There is increasing evidence that eLearning, perhaps combined with less sophisticated forms of technology such as DVD/video could offer real hope for a lower cost model of business education. While the upfront costs are large, running costs are low, making it an attractive project for donors, especially if materials could be made open source. This area merits further research.

6) Aspirational

The best programs and institutions practise what they preach, by striving for excellence in their facilities, materials, teaching and administration. Of course, high quality is often reflected in the price, which can limit accessibility (a point made above). It may be that greater accessibility will require quality trade-offs. Some programs have managed to deliver high quality without necessarily incurring prohibitive costs.

Experienced and effective faculty and facilitators are the first mark of good quality. The best schools and training programs are dealing with the severe shortage of qualified faculty by harnessing the skills of practitioners, alumni and retired academics and executives to supplement the talent pool. Interviewees on both the demand (employer) and supply (educator) side of the management development equation repeatedly said that the best programs featured faculty or facilitators with practical experience of business. Any effort to radically increase access to management development will have to leverage the skills of non-traditional faculty, because the PhD pipeline simply takes too long to develop, and is too expensive:

*International professional services firm: A key part of what we do is using experienced facilitators who can tell war stories from the real world - they make it very practical and relevant.*
Nigerian business school: We hired our faculty from industry. At the beginning we looked for professionals who had reached a peak in careers, and only later started to train doctorates. I think this is the best approach to start with practitioners and then move to academics. The foundation is to have people who can speak the language of business and are engaged in industry.

Russian business school: Instead of only having traditional professors we bring in people with very different profiles – consultants, practitioners, people with specific expertise. We want students to be able to hit the ground running. I think that the contribution that traditional biz school faculty can make in developing managers is shrinking fast. There is a lot of knowledge out there that needs to be brought in to the learning model.

Business Bridge relies on a ‘train the trainer’ model, using volunteers who have been through a high quality business school and have significant experience as executives:

Most important of all is quality of tutors. You can have the best materials in the world, but if it’s trained by people with no credibility, people who haven’t lived what they’re talking about, then it’s not worth anything. They must have a rapport with audience. Our tutors have done MBAs at leading biz schools and we train them ourselves. They’re really good and motivated...

Materials are also important for signifying quality. Business Bridge has made their course packs and online resources a key differentiator:

What makes it work for students is really good content packaged in an accessible way. The production design, the smart binders – it all needs to be aspirational. I look at other training courses being offered and they’re dog-eared, with pages missing. None of our students has ever lost a file and they take pride in maintaining them. That’s quite powerful, it gets commitment to the course, and gets people thinking seriously. It’s also fun and engaging. I’ve had people call us from other training organisations asking how they go from black text on white screen to nice engaging content.

The best programs have introduced rigorous impact measurement and quality assurance. Peter Bamkole’s highly successful EDC small business program conducts regular impact assessments that indicate how small businesses that have been through the program fare in the marketplace.

Part of being aspirational is to have a brand that is trusted. Quality assurance is a major challenge in Africa, and many good programs struggle to stand out as credible and trustworthy amid the thousands of low-quality ‘fly by night’ business schools and training providers that have sprung up across the continent. International accreditation is often too expensive and cumbersome, yet local accreditation fails to screen out poor quality.
Nigerian consumer group: Training is a BIG thing in Africa, people like to be sent on courses, and they tick them off. Sometimes you feel like the quality doesn’t matter, people will just list huge quantity on their CVs. So there’s a lot to be done in terms of improving accreditation, programs and institutions.

Successful local programs have found ways to foster trust and create credibility, often by forming partnerships or leveraging existing brands. The 10,000 Women Program leverages the Goldman Sachs brand, IFC’s program for SMEs attributes much of its success to the power of the IFC name, and the Branson Centre for Entrepreneurship capitalises on its famous patron’s name:

International SME program: I think it’s the brand that is associated with (our organisation) that positions us well in our market. It gives our trainers extra branding. Also, having quality partners. They tend to be the best. And again, this is because our brand resonates well with the private sector.

South African SME program: The convening power of our brand is absolutely critical to our success. It open unbelievable doors, creates incredible networks for the entrepreneurs.

The Nigerian business school built its brand around ethics, placing good ethics at the core of the curriculum and the school’s identity, and building its reputation gradually over many years:

Now there is full brand recognition, we’ve been able to achieve quality and we know that because we often see other institutions trying to claim association with us.

Lagos and Strathmore business schools accelerated the brand-building process by forming partnerships with top-ranked Spanish business school IESE, leveraging the prestige that foreign universities often enjoy in Africa. IESE is seeking to repeat that success in Ivory Coast and Angola. GBSN and the Goldman Sachs 10,000 Women project have helped boost quality, and therefore brand equity, at other African universities by facilitating partnerships with Ivy League business schools, including a tie-up between USIU’s Chandaria School of Business in Kenya and Columbia Business School in New York. Such partnerships help stimulate the highly beneficial networking and exchange of ideas mentioned earlier in this chapter, and expose African managers to international best practice.

A Rwandan business school joined the Maastricht network of accredited management schools to boost its own capacity and to add clout to its brand. It also formed partnerships with professional associations in Kenya to burnish its local image:
Industry and govt used to go to Kenya for training but now they look here first to see if we can meet their needs. We’ve established partnerships with Kenyan accounting and banking accreditation bodies, so customers know they’ll get the same standards.

As international business schools and training providers jockey for a foothold in Africa, it is increasingly important that African suppliers differentiate themselves with some kind of mark of quality. The provision of quality control or assurance might be an area where AMI or other organisations could have impact.

7) Perceived value

The best programs usually come with clear perceived value because they are linked to clear outcomes for managers concerned, either through improved employment prospects, access to finance for entrepreneurs, or the potential for promotion for existing managers.

Business Edge and Business Bridge link training with finance provision, providing a major incentive for entrepreneurs to attend and successfully complete the course. Business Bridge also works with providers of other services, such as technology providers and legal advisors to provide a ‘one stop shop’ for small business:

International SME program: There are a lot of programs trying to catalyze entrepreneurship and SMEs, and where they have failed it is usually because the training is not linked to a tangible outcome. So a lot of donor-driven programs assume that entrepreneurs want to sit through a training session, when often they don’t. The training is much more effective when it is linked to finance, for example, because it provides an incentive.

African SME program: A key success factor for us is linking our training to other services that entrepreneurs need, and marrying technical assistance to finance. This is partly because it acts as an incentive, but also because the entrepreneurs we work with need a range of services and they need a place where that’s all joined up… A very focused intervention in isolation is not that much value.

Good business schools and colleges also offer incentives through high quality career services, so that successful completion of a course can increase employment prospects. The better FET colleges, such as Damelin in South Africa, have used this as a major competitive advantage (see BOX on South African FET colleges).
The most impactful in-house company programs for existing managers also provide clear incentives for managers, such as the opportunity to present to senior executives in the company case study (see box above). Some, including the company described above, also integrate courses and learning with performance management, so that managers have to acquire and demonstrate certain skill sets through the successful completion and implementation of learning of short courses before they can be promoted.

8) Networked

Successful programs form partners and networks to scale up impact. They also form partnerships with more developed institutions in the west to help fill resource gaps, such as qualified faculty, and to boost their own brand.

Very few business schools in Africa have attempted replication or significant scale-up, but several programs targeting SMEs have used partners to expand. Goldman Sachs 10,000 Women, IFC’s Business Edge and Business Bridge use a centralised brand and model, which is adapted and implemented by local partners. Business Edge and Business Bridge offer standardized curricula, although materials are adapted to local contexts. Goldman Sachs has a common framework and standardised set of branding materials, and has developed a platform for partners to share best practice, but encourages local adaption of the curricula and even the structure of the course. All of these programs, as well as Banky’s EDC and the Branson Centre, said that identifying the right partners to deliver their model on the ground, as well as to provide complementary services, such as finances or IT support, was absolutely critical for success at scale. (See BOX on Scaling up)

Business Bridge has identified enterprise development NGOs as delivery partners and banks as service providers:

*There was a challenge to finding our best fit in terms of partner. Now we know it’s enterprise development NGOs and banks. That took us 1-2 yrs to nail down.*

Interestingly, Business Bridge noted that even with the right partners, they still needed to be heavily involved in the delivery of their model to ensure quality control and operational excellence. They believed that some organisations fail in their efforts to scale because they were too hands-off, and tried to grow too quickly:

*We underestimated how much management would be involved in delivering our courses operationally. We’re designed to be relatively arms-length, to set up systems than hand over to partners to deliver. Having been deep in operations for several years now, I’ve realised that we need*
to retain a strong project management role and a lot of devil is in the detail e.g. miscommunication of dates between tutor and partner means no tutor... For our type of organisation, you can’t build strong partnerships in a month. We’ve had to start a few branches at a time, we have to be heavily involved and there is a lot of conversation and dialogue.

Business Edge uses local training providers, which it trains to implement its highly standardised courses. It is generally able to attract the best local trainers, given the pull of the IFC brand.

Goldman Sachs uses business schools as delivery partners, given their facilities, brand power and reach into the local market. The disadvantage of using business schools for an SME program is that they may not always have experience and brand equity with the target market.

Peter Bamkole has recently embarked on an expansion plan funded by the Nigerian government to other Nigerian cities. He has adopted a ‘train the trainer’ model and is instituting quality control mechanisms, but has opted for a looser affiliation that does not link partners under the same brand. The risk here is that Banky himself is so central to his model that replication will be difficult. This is a model to watch.

Business schools often scale ‘deep’ by expanding their sphere of influence in the societies where they operate, yet few in African have scaled ‘out’ into new geographies. (One of the few business schools to expand geographically is ISM in Senegal, which has campuses in each of the country’s six main cities. UNISA and USB Business School also operate in several countries). However the best schools have become adept at forming partnerships both with local and international business schools to boost legitimacy and to expand their reach. (Arguably there is scope for the most successful schools (UCT, GIBS, LBS, Strathmore) to develop a hub and spoke approach that provides lower-cost services to smaller countries? This will be considered later in the report.

IESE’s mission-driven partnership approach is probably the most successful example of business school ‘planting’ in Africa. IESE commits to the long-haul, providing its own faculty in the early days while it develops local PhDs and teaching faculty. The partnership shares best practice while also lending credibility to the local school, but gradually reduces its involvement over time.

The Maastricht School of Business and Economic model is also interesting. In exchange for a fixed annual fee, Maastricht provides local African universities with its AMBA accreditation credentials, at least 50-60% of the faculty, curricula support and access to its online library. The local school provides the facilities, the students and some faculty. This ‘franchise’ arrangement works well in smaller countries where schools are still some way from providing international or even regional-standards independently, and has been implemented in Rwanda, Namibia and Tanzania. The rector
of the Rwandan school said its partnership with Maastricht gave the school a credibility advantage in the local market place due to the power of a foreign brand and accreditation. It had also radically improved quality and helped develop local faculty, although it was expensive, and the fixed-fee model meant SFB loses money if admissions fall.

Models for Scaling up:

1) **Standardised curricula, local training providers**: High quality materials and a standardized set of training modules are provided under a central brand and delivered by local training providers (IFC Business Edge, ILO)

2) **Standardised curricula, own training providers, local delivery partner**: High quality materials and standardized modules are provided under a central brand AND delivered by trainers affiliated to the program, although local partners are used for infrastructure and marketing. (Business Bridge, Maastricht)

3) **Centralised brand and model, localised content and delivery**: A central model, brand and funding is provided, but each implementation is co-designed by head office and a local partner. (Goldman Sachs 10,000 Women)

4) **Shared resources and support but no brand affinity**: A successful program is replicated, leveraging a proven model, resources, curricula and support, but the new programs do not share a brand name. (Banky’s Enterprise Development Centres)

5) **Satellite programs**: Where an existing institution – usually a business school - runs courses and programs in other countries or territories, usually flying in staff from outside (see foreign business schools in Africa, Chapter Five).

6) **Hub and spoke**: Where a strong institution launches (or supports) smaller more limited programs in other territories on a more long-term basis, building a brand and local presence and developing local capacity. The main institution’s brand is leveraged.

Partnerships can also work the other way around. GBSN has done much work developing partnerships between western and emerging market schools, and initially assumed the information and support would flow in one direction – from north to south. Increasingly, however, they found that faculty and management from northern schools were keen to learn from African schools. Given the recent interest in Africa as the next major investment destination, the power balance between north and south is starting to shift, and African business schools could potentially position
themselves as the gateways into these complex and dynamic new markets. Of course the challenge – as illustrated in the previous chapter - is for African schools to maintain their local competitive advantage as international schools jockey for a piece of the market:

*Nigerian business school:* At the beginning of our partnership (with a European school) we just needed to learn. Now in the last couple of years we have started to see an interest in Africa. So now, having come into our own, we still send people to (our partner school) to learn about their structures and practice, but we are also collaborating on projects, running programs together. There is value for both sides. Top western schools have a long history in business education, but we know the markets, so we can both learn from one another.

And as a layer of elite and successful African business schools emerge, there is increasingly scope for inter-African exchanges and learning. AABS already runs visits for African business school deans to learn from each other and from overseas. Several respondents said they would like to see more Africa to Africa exchanges and partnerships between deans, faculty and students. LBS and Strathmore already run a joint owner-manager program, and GIBS, LBS and Strathmore are planning a pan-African executive education program. Participants of the Tony Elumelu Foundation’s African internship program, which placed MBA students with small businesses around the continent also cited the power of information exchange and partnership for encouraging management best practice. Respondents generally advocated more initiatives like this.
Chapter Seven:

Literature Review

Academic research into the impact of management education, training and development is relatively limited. However there is evidence that higher education is linked to economic growth, as well as improved individual earnings. Recent studies have also established a link between managerial skills and firm productivity and performance. Several micro-level studies have assessed the impact of individual interventions and programs, although these are often not empirically rigorous and tend to depend on the opinions of managers and entrepreneurs who have been through the program in question. In some of the most interesting research to emerge from this field, a group of Norwegian researchers recently demonstrated that business training had a significant impact on male micro entrepreneurs in Africa and that human capital may be the biggest constraint for such businesses. Beyond proving impact per se, there is a lack of rigorous research into what kind of programs and interventions actually result in better-managed organisations, particularly in an African context.

Academic research relevant to management education and developing is briefly reviewed here. Key studies are listed and referenced with key findings described.

Tertiary and higher education is linked to GDP

Several studies have shown evidence that tertiary and higher education is linked to national economic growth:

1) The 2009 World Bank report on tertiary education cited in Chapter 1 found that a one-year increase in average tertiary education levels would raise annual GDP growth in sub-Saharan Africa by 0.39 percentage points and increase the long-run steady state level of African GDP per capita by 12 percent.

(The World Bank; Accelerating Catch-Up: Tertiary Education for Growth in Sub-Saharan Africa, 2009)

2) A 2006 study on higher education and economic growth in Africa used panel data between 1960 and 2000, a modified neoclassical growth equation, and a dynamic panel estimator to investigate the effect of higher education human capital on economic growth in African countries. It found that all levels of education human capital, including higher education human capital, have positive and statistically significant effects on the growth rate of per

---

47 This literature review is by no means exhaustive, and will be supplemented as the research continues.
capita income in African counties. It estimates the growth elasticity of higher education human capital to be about 0.09, an estimate that is twice as large as the growth impact of physical capital investment.


3) A 2010 study on higher education and economic development in Africa draws on data from thirty two African countries to show that the returns to education, measured both by macro production functions and by micro earning functions, are highest for those with higher levels of education. The paper argues that growth has been more closely linked to investment in physical capital than in education and this may well reflect the fact that education is most valuable when it is linked to technology which requires higher skills.


**Higher education is correlated to individual earnings**

Several studies have linked an increased number of years of education to higher earnings for individuals (see Teal above).

1) The World Bank report on tertiary education cited above also found that private returns to tertiary education in low-income countries are frequently on par with the returns from primary education. Each additional year of education can yield 10-15 percent returns in the form of higher wages.

(The World Bank; Accelerating Catch-Up: Tertiary Education for Growth in Sub-Saharan Africa, 2009)

2) A 2010 econometric analysis of data from 200 students in two Pakistani universities showed that the number of years of education and experience are positive and significantly correlated to monthly earnings of students.


**Quality of management is linked to firm performance and productivity**

Unsurprisingly, there is evidence to show that managerial skill and experience is linked to firm performance and productivity. Several of the most rigorous studies in this area have been led by Stanford Economics Professor Nicholas Bloom.
1) A 2011 field experiment on large Indian textile firms investigated whether differences in management practices across firms could explain differences in productivity between developing countries. The researchers provided free consulting on management practices to randomly chosen treatment plants and compared their performance to a set of control plants. They found that adopting these management practices raised productivity by 18% through improved quality and efficiency and reduced inventory.


2) A study in Mexico by a different team examined whether lack of managerial knowledge can be alleviated through consulting services. Researchers conducted a randomized control trial in Mexico where small businesses were paired with a consultant for a year. Consultants were asked to diagnose problems that prevented firms from growing, suggest solutions and assist with implementing the solutions. Early results show that the consulting services had a positive effect on firm productivity. Productivity increased significantly, either measured as the residual from a productivity regression or return on assets. Monthly firm sales and profits also were higher in the treatment group than in the control group (78 percent and 110 percent, respectively).


3) A 2011 study looked at the link between managerial skills and small business failure in Nigeria, although relied on self assessment by small business owners themselves. A survey of 211 small businesses in five cities in Nigeria found that poor management skills was the second most cited reason for small business failure, after lack of finance. Lack of training and experience was also cited as a key factor.


4) A 2010 study by Bloom and his colleagues found that variations in management practice can explain large differences in management performance between firms and countries. The researchers used an interview-based tool to survey 6000 medium-sized companies in 17 countries (developed and emerging). They found that firms with “better” management practices tend to have better performance (they are larger, more productive, grow faster, and have higher survival rates). The three emerging markets (Brazil, China and India) were all among the four lowest rating countries, largely due to the number of very badly managed firms. The study showed that multinationals are generally well managed in every country and tend to transplant their management styles abroad. Firms that export (but do not produce) overseas are better-managed than domestic non-exporters, but are worse-managed than multinationals. Inherited family-owned firms who appoint a family member (especially the eldest son) as CEO are very badly managed on average. Firms that more intensively use human capital, as measured by more educated workers, tend to have much better management practices.
5) Bloom and several other researchers also looked at the link between management and the productivity of firms in different countries (drawing on the same data gathered for the paper cited above). They found evidence that firms in developing countries are often badly managed, which substantially reduces their productivity. This is particularly important in companies with more than 100 staff, which tend to be operationally complex and therefore require sophisticated management practices and processes. Larger firms struggle to decentralise decision making, and in developing countries, almost all management decisions are made by owners, for fear of expropriation by their managers. This inhibits growth.


6) A Bloom team also examined the link between managerial competence and performance at public hospitals, as part of a broader paper on the causal effect of product market competition on management quality and firm performance. The team interviewed 181 managers and physicians in the orthopaedic and cardiology departments of UK hospitals and found that management scores were significantly associated with better performance (indicated by improved survival rates from emergency heart attack admissions and other kinds of general surgery as well as shorter waiting lists). Interestingly, increased competition was also positively correlated with management quality (Adding a rival hospital increases management quality by 0.4 standard deviations and increases heart-attack survival rates by 9.5%!!).


**Business training is linked to business knowledge among micro enterprises**

Several studies have tested the impact of business skills training on groups of entrepreneurs. Some of the most interesting and compelling studies emerged recently from a group of Norwegian researchers who ran experiments to determine the impact of business training and capital on poor micro-entrepreneurs.

1) This 2011 study sought to identify the most binding constraint on microenterprise development and ran the first field experiment to jointly investigate the impact of human and financial capital on poor micro-entrepreneurs by introducing separate treatments of business training and a business grant. They combined survey data and data from a lab experiment to investigate the effect on business results, business practices, business skills and mind-set. The study demonstrated a strong effect of business training on male entrepreneurs, while the effect on female entrepreneurs was much more muted. The business grant had no effect on either males or females. The results suggested that human
capital may be the more important constraint for poor micro-entrepreneurs, but also pointed to the need for more comprehensive measures to promote development among female entrepreneurs.


2) In this 2007 working paper (revised in 2009), the researchers used a randomized control trial to measure the marginal impact of adding business training to a Peruvian group lending program for female micro-entrepreneurs. Treatment groups received 30 to 60 minute entrepreneurship training sessions during their normal weekly or monthly banking meeting over a period of one to two years. They found that training led to limited improvements in business knowledge, practices and revenues. The program also improved client retention rates.


3) An earlier trial by some of the Norwegian researchers mentioned above used a randomized control trial to evaluate a business training program in Tanzania, using similar methodology as the experiment in Peru. Results show a positive average treatment effect on business knowledge. The impact was much larger than in the Peruvian study.


4) The latest trial by the Norwegian team into the impact of business training on micro-entrepreneurs focused on the implementation and scale-up of training programs. This 2011 study analysed the local version of a research-led business training program among microfinance entrepreneurs in Tanzania (rather than a program implemented by a research team). The paper concluded that i) business training can be successfully implemented locally when the institutional environment is right; ii) that training is likely to be beneficial to the microfinance institution, and crucially, iii) that it should be possible to charge a participation fee that covers most of the cost of such a program.

The results on willingness to pay are particularly interesting – participants were willing to pay about $30 for the course, which covered about half the variable costs for a microfinance institution providing the course using external trainers. If they provided the training in-house, then revenue from fees would cover costs, and the institutions would generate a return in the form of improved repayment and retention rates.

(Berge, L., Bjorvatn, K., Juniwaty, K.S., & Tungodden, B; Business training in Tanzania: From research driven experiment to local implementation, NHH working paper, 2011)
Studies similar to paper 1) above and paper 4) would be extremely useful for our purposes if applied to short courses for managers or owners of larger (SME rather than microenterprise) firms.

**Training is linked to improved organisational performance**

Research in this field has to date focused on two separate parts of the impact equation: 1) proving the link between training and skills or knowledge, and 2) proving the link between managerial skills and firm performance. Very few studies have shown a link between business or management training and organisational performance directly, particularly at a level above micro-enterprises. A few studies have attempted to assess the impact of individual programs and interventions. They often do not adhere to the rigor of academic research, but may provide indicative findings:

1) This study examined the impact of an entrepreneurship program at the University of Arizona. It compares graduates of the program with a matched sample of graduates from the same school who did not participate in the program. The study evaluates the program for its technology transfer to the private sector and effect on the rest of the university.

It finds that entrepreneurship education fosters risk-taking and the creation of new business ventures; increases the likelihood of graduates being self-employed; causes a significant positive impact on the income of graduates; increases job satisfaction from increased income; contributes to the growth of businesses, especially small ones; promotes the transfer of technology from the university to the private sector; and promotes technology-based firms and products. A survey of 34 deans, department heads, and development officers at the university also reveals that educational innovations in the entrepreneurship program improve the curriculum of other business disciplines and the MBA program at the school.


2) Peter Bamkole’s Enterprise Development Centre in Lagos conducted an independent impact assessment of his Certificate in Entrepreneurial Management programme. The study did not use randomized control trials and relied on student perceptions. It found that: 91% of respondents agreed or strongly agreed that they acquired basic managerial skills and knowledge which have contributed to the management of their business operations; 79% reported having put into practice a great deal of the skills acquired during the course; 71% reported business profitability after the course compared to 25% before, and 74% reported an increase in turnover; 60% said their businesses had added jobs.

3) This 2007 study is also self-perception based, but useful. It evaluated the impact of a leadership development programme on 32 middle managers within a city council organisation, in terms of knowledge, skills and attributes. The research, which was based on interviews with the managers, found that graduates of the programme found it useful to themselves and their organisation.


**What do managers need?**

A few studies have looked at the *need* side of the management education question. What kinds of skills do managers need? What kinds of competences would employers like to see in MBA graduates? Our own research has sought to contribute to answering this question in an African context.

1) This Canadian study examined the day-to-day problems that managers face in trying to be effective and the resources and solutions that they access as a means of dealing with these challenges. Researchers conducted interviews with 185 managers employed at a broad range of levels and employers. It found that managers were concerned with managing employee conflict, addressing employee performance and attitude issues, and finding employees who do not present these problems. Helpful advice came from the people around them rather than from print sources. The managers were unlikely to view consultants as sources of help. The researchers argued the results indicated that management educators should pay more attention to teamwork and generic skill sets, and move beyond “presenting managerial issues as a series of “topics” to be recalled by students at a later date”.


2) A GBSN and International Finance Corporation (IFC) survey examined the quality of business education in developing countries. It surveyed 283 firms in 78 countries, asking them to assess the quality of locally educated MBAs the firm had hired. African and Middle Eastern firms were significantly dissatisfied with the quality of local MBA graduates, but reported a lack of availability of MBA graduates. The two regions with the greatest shortage are therefore producing the weakest candidates, suggesting a strong market need. Worldwide, communication skills and work experience stood out as weaknesses, while firms in Africa, the Middle East and South Asia were more likely to report inadequate technical skills training.

Research on MBA programs

A handful of studies have examined aspects of the MBA in particular, including value created, perceptions of graduates and the MBA’s impact on personal value systems. Several self-perception studies show evidence that MBA graduates themselves believed the degree enhanced their skills, competences and career advancement:

1) This study applies data envelopment analysis to measure value added in Master of Business Administration education in the United States. The study highlights the MBA program as an example of a value-adding process in education, and demonstrates how such programs’ efficiency in providing value to students may be evaluated. The top 20 MBA programs resemble the second 20 in terms of average efficiency.

(Haksever, C. & Muragishi, Y, Measuring Value in MBA Programs, Education Economics, Vol. 6, No. 1, 1998)

2) This Indian study examined the impact of a 2-year residential full-time MBA program on the personal values of students, using a longitudinal design and data collected over 7 years. Values were measured when students entered the program, and again when they graduated. Results showed that management education enhances self-monitoring and the importance of self-oriented values and reduces the importance of others-oriented values. The effect on both sets of values remained significant even after controlling for self-monitoring.

(Krishnan, V.R.; Impact of MBA Education on Students’ Values: Two Longitudinal Studies, Journal of Business Ethics, 2008)

3) This survey of 344 graduates of a leading UK business school found that graduates – who were working managers at the time of the survey - believed the MBA gave them increased managerial skills, enhanced their self-confidence, and strengthened several aspects of career development.


4) This 1995 study also polled graduates of one MBA programme about how the degree met their current and expected needs. It found that the graduates did believe their degree was relevant, changed their behaviour and judged the outcomes as ‘substantial’. They judged the MBA as a significant factor in career change and development.


5) Another self-perception study of MBA graduates, this Greek study assessed the impact of doing an MBA on managerial competencies, employability and career development. More specifically, it tested the hypotheses that gaining an MBA will: provide graduates with business-related competencies; enhance graduates’ employability; promote career
advancement and lead to increased compensation. The poll of 68 graduates found that that MBA studies have a positive effect on skills, employability and compensation and a much more moderate effect on career advancement.


6) In this useful book, three Harvard Business School professors examine the evolving MBA marketplace and its threats as well as possibilities for improvement and growth. They argue that after the economic crisis, business schools are at a crossroads and will have to rethink the traditional model. They urge business schools to rebalance from the current focus on "knowing" or analytical knowledge to more of what they call "doing" (skills) and "being" (a sense of purpose and identity). Business schools need to think innovatively about how best to use the resources available to them, possibly by using alumni as faculty. Interestingly, their interviews showed many similar themes to the findings of this report: The single strongest theme was the need for MBA students to cultivate greater self-awareness. The second theme was the need for practical skills: how to run a meeting, make a presentation, and give performance feedback. Both these are highlighted in Chapter Three of this report.


**Other**

1) A 2008 study on higher education and social change developed a useful framework for potential future research into the impact of higher education on society. This could possibly be adapted for research into the social returns on management education.


**Areas for further research:**

- A randomized control trial study of the impact of either or both entrepreneurial and management training: What are the returns to the individual and the firm? Is there a broader economic and social impact (job creation?) Does management training change behaviour?
- Studies similar to those conducted on microenterprise by the Norwegian team, but using a sample of SMEs or even larger firms.
- A study to establish a methodology for quantifying the SOCIAL impact of management education?
- What types of interventions might be beneficial for different types of firm and manager, in terms of behaviour change, personal effectiveness, firm performance etc?
Chapter Eight:

Ideas for Impact

This chapter proposes some ideas for potential intervention, which have emerged from the research process. All of these ideas would need further interrogation and testing. Some may sound unrealistic, but the aim is to move our thinking beyond the status quo. After input from the steering team, some of these ideas will be converted into more concrete recommendations (see next steps in Chapter Nine).

Clearly we need more institutions and more high quality courses, but this research illustrated very clearly that offering certificates or degrees in isolation will simply exacerbate the ‘diploma mill’ effect described by several interviewees, and is unlikely to actually improve the quality and quantity of practising managers in African organisations. Instead, we will need a systemic approach, that builds a movement of managers exhibiting the kinds of competences we described in chapter two, and which encompasses all elements of the Management Development Ecosystem.

Providers

Business School Planting:

As illustrated in Chapter Five, we need more Tier 1 business schools. One option is to improve Tier 2 schools, but this takes time. Starting from scratch might work better, especially given that many of the best Tier 1 schools started out as entrepreneurial Greenfield operations.

AMI could develop a blueprint or ‘management school in a box’ model for highly practical, modern and entrepreneurial NEW management schools rooted in local market realities. These schools would generate thought leadership and act as centres of excellence, whose resources could be leveraged by other parts of the AMI ecosystem. AMI could develop a standardised business model, based on some of the findings in this report around what employers want, and what kind of properties good
programs exhibit. The model could include best practice around teaching methods, standard curricula (which could be adapted locally) and would include a breakdown of faculty requirements and financial modelling. This could then be presented to high net-worth individuals and other potential donors, who could each put their name to a school and provide the upfront capital. These schools would aim to be self-funded within a specified timeframe.

Some ideas for a modern and innovative African Business School:

- **Locally relevant** curriculum addressing the needs of African economies: courses covering issues such as microfinance, inter-African trade and currency hedging, managing in an African cultural context, public policy etc.

- **Knowing, Doing, Being**: There would be a strong focus on attitude and personal development, and on translating skills into practical behaviours such as running meetings and giving presentations (See Datar & Garvin book on Rethinking the MBA for more on this). An AMI manifesto or scorecard would represent the type of manager we are trying to cultivate, and could also underpin other interventions described below.

- **Executive education** should sit at the core of the school, academics second, research third. Research should be applied, and could involve piloting innovative new projects (see ISB model).

- **Compulsory team consulting projects in rural businesses and NGOs**. This would help plug the skills gap in rural and low-income areas. The school could charge a small ‘success fee’ if appropriate.

- **Inter-African exchanges** between AMI network schools to build pan-African networks.

- **Venturing**: A compulsory entrepreneurship course where teams pilot a business and compete for funding from local business ‘angels’ or for prizes in a competition judged by local business leaders. A shared incubator for AMI schools could invest in student projects, and the best students could compete in a pan-African AMI entrepreneurship competition judged by international (impact?) investors.

- **‘Powered by...’**: Leverage big business and education brands to build credibility and attract sponsorship (eg partner with Harvard for a ‘Business in Africa’ course, with MTN for a mobile marketing module.)

**Low-Cost Tier 2-3 Business Schools**

Is there an alternative lower-cost model to reach more managers in the middle of the pyramid that could also be presented to funders? While Tier 1 schools are differentiated by thought leadership,
innovation, expertise and customisation, these Tier 2-3 schools could be standardised and streamlined (fewer courses, but well executed), leveraging technology and para-skilling to reduce costs. They would still adhere to the core AMI manifesto around ‘Knowing, Doing and Being’ and would take a highly practical approach.

- **Hub-and-spoke**: Tier 1 network of schools could be incentivised to establish smaller satellite schools in secondary markets or cities, or to support existing smaller Tier 2-3 schools? A minimal local presence could be supported with resources, materials and faculty from the ‘hub’ school. Hired facilities could be used at the early stages.

- **Pay-as-you-go**: Break courses into short, affordable modules, which allow managers to build a diploma or even an MBA at their own pace, paying for one module at a time.

- **Shared faculty**: Network schools ‘hire’ faculty from a core AMI pool, or swap faculty, in order to leverage expertise and avoid replication.

- **Shared resources**: Build/provide access to a shared online library to avoid each school having to build their own. Could any other functions or resources be shared to reduce costs? Both Tier 1 schools and lower-cost satellite schools could access this resource.

- **Online Technology**: Harness technology to make the most of expensive teaching time. Most quantitative courses could be taught online or through distance learning, using the kind of innovative ‘gaming’ technology developed by the Khan Academy. A limited number of ‘workshop’ sessions per module would focus on implementation, action learning and case studies. Students would discuss problems and provide peer support and feedback through online forums, and would be encouraged to form online and offline study groups. (See Inputs section).

- **Video**: Use short videos from faculty at the Tier One/Hub schools, which could be screened at satellite colleges. Students could do pre-work online, before watching the video together as a group on a TV, rather than online at home or work (reducing bandwidth requirements). To underscore what can be achieved with creative use of technology, the TEDx series of global events has designed a ‘TEDx in a box’ which allows organisers in poor or rural areas to host events without reliable electricity supply: http://ideo.org/projects/tedx-in-a-box.

- **Discussion groups**: A facilitator rather than fully-trained faculty could then draw on the video and on detailed and highly standardised teaching notes and questions to guide a discussion, which could involve role-playing and case studies. To reduce costs even further, this could even be done more informally as part of a volunteer ‘Chapter’ peer-network of study groups underpinned by the Register (see below) and organised by a local champion.
- **Peer-learning and assessment:** Smaller study groups could be formed within the larger discussion groups to encourage peer coaching and teaching. To reduce the assessment burden on faculty, students could anonymously assess peers for non-examined projects and coursework.

- **Mobile college:** What about a mobile college – a bus with a classroom, teaching materials and a facilitator – which could travel to rural areas, reducing travelling costs for participants?

---

**Tackling rural poverty through Agribusiness management training**

The AABS Agribusiness Management Education Training Project has taken an industry-specific approach to management training, and might be a useful prototype for this model.

While African universities and institutions offer over 774 agricultural technical education and training programs, very few offer business, management and leadership training for the Agribusiness sector. That means that while managers working in the Agribusiness sector possess technical competencies and qualifications, they lack the business, management and leadership skills and tools to support the quality of project strategy, execution and management that enables innovation across the agribusiness value chain.

AABS has developed a plan to work with African business schools to develop and deliver Agribusiness management training programs, including modular certificate programs and short courses, in Tanzania, Ghana, Nigeria and Uganda. It intends to scale up the training programs to other schools and countries in Africa through access to open-source training materials and a collaborative and supportive web-based network.

The training programs aim to help managers shift from a purely farm-based production view of agriculture to a business and management perspective, grounded in a comprehensive understanding of agricultural value chains. The programs will include experiential activities, ongoing support and coaching and other wrap-around services.

Arguably, this approach could be applied to other sectors, such as mining, health, tourism and hospitality, media, infrastructure development etc. AMI could either use ‘bolt on’ management modules to technical programs at colleges and institutes, or design industry-specific courses and use management schools as delivery partners.

---

**Project Management for Middle Managers**

Many respondents commented that we urgently need a high-quality, extremely practical project management or ‘introduction to management’ course. This would include basic IT, planning, sales, managing a team, delivering and measuring results and writing reports, and would be short, and affordable. One of the biggest challenges in the middle of the market is fragmentation and quality
control – there is no single pan-African brand for training middle managers (existing brands such as Business Edge are geared toward entrepreneurs and owner-managers).

AMI could develop a branded course for middle managers. It could be delivered:

a) Through local partners such as Tier 3-4 schools and local training providers, imitating the Goldman Sachs or Business Edge model. Finding and training the right local partners could be a challenge – one route might be designing industry-specific management and leadership courses that could be delivered through specialised professional and technical colleges in sectors such as agriculture, health, mining etc (See Box above on AABS Agribusiness project).

b) Through a new spin-off social business which would operate a franchise of low-cost high-quality management colleges across Africa, accredited by AMI, and using a blend of online and offline approaches. Clearly this is ambitious, and would require separate funding and an entrepreneurial team. Could these colleges leverage other resources in the AMI network? These colleges would draw on several of the ideas listed under ‘low cost business schools’ above. Could we think about a mobile college, which takes short courses INTO rural areas, rather than asking managers to travel?

**Inputs**

Better quality inputs for educators, training providers, organisations and individuals could help catalyze impact at all levels. Some ideas include:

- **Business model templates** for specific types of institutions, such as a business school (as mentioned above). This would essentially constitute a ‘How To’ guide for starting a business school, based on a set of AMI values and competencies.

- **Stand-alone modules** which could be offered by existing business schools to round out curricula in key areas, e.g. a candid ‘Managing in an African cultural context’ module which would come with materials, teaching notes, case studies, role-playing frameworks, questions for discussion, videos and an exam paper.
- **Faculty**: A shared pool of AMI faculty which could be ‘rented’ out on a short or long term basis by partner schools, and could mentor and support local junior faculty. We need more creative thinking around solving the faculty constraint.

- **High quality local case studies, simulations and games**: AMI could become a clearing house for innovative, practical teaching methods and tools, and could draw on international and local experts to develop a library of such materials.

- **Online resources**: for individuals and organisations. AMI could provide a mix of online courses, a library, models and templates for companies, case studies, examples of best practice, some of which could be freely available and some available only to members (see ‘network/register’ under ‘Quality’). We could either seek donor funds to build a platform from scratch, or use one of the service providers to reduce costs (Cape Town and Stellenbosch business school use South Africa-based ‘Get Smarter’).

- **Mobile learning**: We should look into the viability of mobile learning tools. Several mobile consultancies are working on ‘mLearning’ solutions – could we co-develop a tool for understanding a basic balance sheet, for learning how to discount cash-flow, or for learning how to introduce a performance management system. We could even develop the tools themselves – e.g. a mobile online performance management system, which would come WITH an obligatory interactive learning session on how to use and implement.

- **Action learning clearing house**: Could AMI act as a clearing house for consulting projects and action learning? It could match business schools with small, medium and rural businesses which need interns or consulting teams, and possibly charge a success fee. Consulting teams could include students from different AMI network schools, to encourage cross-pollination of ideas. Schools outside Africa may also want to use this service, generating further income.

### Organisations

There is no point training excellent managers if organisations fail to use and nurture their skills. A large part of our focus should therefore be on organisations. AMI could help organisations implement the ‘enablers’ listed here, and then hold
them to account through the quality assurance mechanisms suggested below.

- **Performance management systems**: Many businesses lack good performance management systems. AMI could provide a 'how to' guide for developing one (possibly even for free online), as well as a consulting service for implementation (or a referral to a consultant).

- **Systems and succession planning**: Many organisations need to implement the systems that ensure good governance and guard against Founder’s Syndrome. Again, these could be provided in a ‘how to’ form, with supplementary consulting services.

- **Mentoring and role modelling**: The idea behind the network of managers described below is to encourage role modelling and informal mentoring to happen naturally. However AMI could also provide organisations with templates for more formal mentoring systems, with implementation services if required.

- **In-house training**: AMI could provide, or work with a partner to provide, templates for basic training courses (similar to the project management system described above). We could provide a ‘train the trainer’ service to help organisations conduct their own in-house training, or link organisations to an AMI accredited provider who could facilitate the course.

---

**Quality**

One of the biggest challenges in the management development space currently is the lack of widely recognised and enforced quality standards. There is no shared understanding about what good management means in an African context, about what kind of behaviours and competences good managers exhibit, about which training providers provide a good quality service, or of best practice within organisations. AMI could develop mechanisms to play this role:

- **Register or Network of Individuals**: At the heart of AMI should be a network of ‘registered’ managers and organisations who commit to a set of shared values, who complete
recognised training programs and who demonstrate key performances. More than just a list of trained managers, it would help build communities of peers who would convene online and offline around a shared mindset and set of behaviours. It would also help create the channels for delivering some of the inputs described above, and help stimulate market demand for the providers, as well as providing a mechanism for AMI to sustain itself. Registered managers could meet as local volunteer-run chapters with networking potential as a strong pull, and peer accountability as a low-cost enforcement mechanism. This is arguably one of the most important ideas presented here, and would underpin all the other larger interventions, such as business school planting and resource provision, by ensuring that inputs are translated into impact.

- **Register or Network of Organisations**: Organisations are a crucial part of the puzzle. They too could be registered as adhering to an AMI code of best practice, scorecard, or manifesto. With the help of AMI, they would commit to implementing the organisational enablers described under the ‘Organisations’ heading (performance management systems, succession plans, a talent pipeline etc). They could be awarded some kind of recognition, similar to the ‘Investors in People’ system in the UK.

- **Accredit schools**: AMI network schools would be audited to ensure they meet certain standards and that they are developing the kind of managers described in the AMI scorecard. Could we support AABS to introduce a more formal Africa-wide accreditation system, or to encourage schools to seek international accreditation?

- **Accredit Training Providers**: Could we also accredit or audit training providers and colleges? Alternatively, we could use the AMI branded materials to enforce standards: only training providers who meet certain criteria would be able to use AMI branded courses and materials.

- **Monitoring and Evaluation Tool**: An impact assessment tool would be extremely useful for business schools, colleges and particularly for SME programs. It could be integrated into the register system as an auditing tool, and should also include a platform for sharing best practice. An M&E tool would be invaluable for generating data about impact, and so could also be used for marketing purposes to prove that management education actually works.

- **Awards and Prizes**: Both individuals and organisations could be rewarded and recognised at annual awards ceremonies with prize categories such as ‘best overall manager’, ‘best talent developer’, ‘best project’, ‘best team turnaround’ for individuals; and ‘best talent development system’, ‘best in-house training program’, ‘best overall employer’ for organisations.
Geographic and industry focus

As discussed above, we might consider focusing efforts and resources on particular industries or particular countries and regions. Below are some questions for consideration, as a steering team.

In terms of industry, should we focus on sectors where Africa may have a natural global comparative advantage, such as mining and agriculture, or on industries which are important for building strong diversified and job-creating domestic economies such as construction, infrastructure, financial services and IT?

What about country focus? The statistics in Chapter Five indicate that the biggest shortage of Tier 1 and 2 business schools are in East and West Africa. McKinsey’s country segmentation by exports and economic diversification might also provide a useful starting point\(^{48}\). Appendix 5 provides some more detailed statistics, compiled from various sources, indicating McKinsey country segmentation, GDP per capita, WEF Global Competitiveness ranking and the number of Tier1&2-ranked business schools by country. It shows that the middle-income African countries, which tend to be the McKinsey ‘transition’ countries, also tend to rank above the African average on competitiveness, and have a smattering of good business schools, but not enough. There is possibly an argument to be made that good quality management schools and programs could have more impact and leverage in middle-income transition countries with reasonable competitiveness ranking, than in higher-income oil exporting economies (diversified economies tend to already have a decent concentration of business schools). Should we therefore consider focusing our efforts on this middle strata of countries?

This chapter provided a list of ideas for impact using each of the four key elements of the management development ecosystem that emerged from the research process. The next chapter charts a course for converting this list in actionable recommendations.

\(^{48}\) McKinsey: Lions on the Move, 2010
Chapter Nine:

Recommended Next Steps

This chapter builds on the ideas outlined in Chapter Eight. These recommendations represent practical next steps are for the AMI steering team, rather than broader strategic recommendations for the management development sector as a whole. They aim to chart a course for converting the ideas listed in the previous chapter into actionable strategy. Not all of these recommendations will be implementable in the time period envisioned; we will need to prioritise.

AMI should:

1. **Refine our scope and vision based on the findings of this report at a (facilitated?) strategy workshop in early February.**

   Where do we want to focus? On one section of the management development ecosystem (e.g. inputs)? On one strata of the pyramid (e.g. middle management)? Or on a range of focused interventions at different key points of leverage, and driven by the interests of potential partners?

   Do we play in a purely collaborative and enabling space, or would we like to compete and build a brand or brands?

   Which of the ideas listed in the previous chapter – or other ideas - resonate strongly? Which would we most like to see happen? Which are ‘doable’ given the resources at our disposal?

   Should we be implementers of a highly focused priority project, or act as a clearing house and resource-matcher for a wide federation of projects?

2. **Choose 3-5 areas for strategic intervention and draw up a work-plan for each**

   These should be based on the ideas in Chapter Eight, the outcomes of the strategy meeting and the answers to point 1 above. (We might wish to prioritise two potential interventions that could realistically be operationalised in the next 12-18 months, depending on funding). Each item will eventually be presented as an item on a ‘menu’ of options for funders (see point five below), so will require specific costing.
Draw up a work-plan for each of these interventions. Examples might include:

a. Business school planting: Build a business model and proposal, including financial modelling, for a network of high quality business schools for presentation to high net-worth individuals.

b. Franchised lower-middle management project management course: Draw up a feasibility plan, including research on willingness to pay and potential delivery partners, for a low-cost franchised pan-African project management course.

c. Register/Network of Managers: Build a business plan for a self-funded membership-based network of individuals and organisations.

d. Online learning: Provide costings and a business model for an online and possibly mobile learning platform, including a strategy for blending this with offline learning.

e. M&E tool: Draw up a plan and costings for developing a monitoring and evaluation tool for schools, colleges, training providers and SME programs, as well as a platform for practitioners to share best practice.

3. Develop 2-page summary of this report for wider circulation

Develop a short and punchy handout version summarising the key findings of this report for immediate circulation to potential partners and other interested parties.

4. Identify required partners and resources

Determine what kind of partnerships and external consultants or other resources would be required to implement the various work plans drawn up in step 2, ideally in time for the AMI launch in May. Begin cultivating partners and engage external consultants or identify ways of securing supplementary resources if required.

Complete the work-plans, with priority documents finished in time for the AMI launch in May.

5. Draw up a ‘menu’ of options for donors; Plan a road-show

Based on the priorities identified above, draw up a ‘menu’ of options for potential donors or investors interested in the management development space. The ‘menu’ should also provide recommendations for funding structure e.g. impact investment, grant, equity seed capital for a social business, soft loans etc.
Draw up a plan for cultivating donors and investors, and securing commitment, possibly through a funding road-show.

6. Begin work toward a final publishable report and press campaign

We will need a more streamlined version of this report for publication. We will also need a pithy one-pager of key facts, figures and key messages for publicity and fundraising purposes. This will be used for a PR campaign to coincide with the WEF Africa meeting and AMI official launch in May.

Both of these tasks can be done largely internally, although any design, research, analysis or PR support from partner institutions (GBSN, TEF, Lundin, AABS, GIBS) would be much appreciated. Some of this can be done in conjunction with the FT This is Africa report on business education.

7. Draw up an AMI ‘good management’ scorecard

The ideas in the previous chapter need to be underpinned by a shared understanding of what good management means for individuals and organisations. All AMI interventions should be based on this ‘scorecard’ or ‘manifesto’, which should include metrics for cultivating and then measuring good management. We need to identify these metrics.

We should identify and recruit a team of management education experts to draw up these metrics, or set aside time for this as a steering group.

8. Consider conducting more rigorous research to support one or two points made in this report

More rigorous research would justify some of the ideas and recommendations in this report and could be used for fundraising and marketing purposes. It would also be useful to extend the research to Francophone and Lusophone countries. Further research would depend heavily on resources available, and might need to be traded off against producing the more practical documents and blueprints described above. However it could be highly valuable for leveraging further funds. Useful future research would include:

a. A study to provide empirical evidence of the need and gap at the middle management level. This would require a more rigorous survey of big business, medium-sized
businesses and start-ups to test the findings of this report (what kind of managers are needed, what kind of programs would be useful?). It would also benefit from public sector input, and from a deeper dive into the middle of the market to better understand demand, competition and willingness to pay. It would require external consultants.

b. What is the impact of management education on individual and/or firm performance? This would help prove the impact of management development. It would require external researchers to run a randomized control trial study. This study is probably a longer-term project requiring additional funding. It could be presented as an item on our list of funding options?

Could we consider partnering with African business schools themselves to produce this kind of research at a lower cost?

9. Create the structures for AMI

Depending on the strategic decisions taken at the Jan/Feb steering team meeting, we will need to establish the longer-term structures for moving forward as a formal entity, including governance, staffing, implementation, resources and partnership agreements.
Conclusion

This interim report provided an overview of the African management landscape. It explained why management is important, and explored the management gap in more depth. It then mapped the current management development ecosystem, identifying where gaps are most critical and highlighting pockets of excellence. Finally, it presented a series of ideas for potential intervention, and some recommendations for next steps. Four key messages emerged:

1) **Good managers are engines of growth and development.** They build globally competitive companies and vibrant SMEs which create jobs, they execute on development strategy and they drive national economies forward. Africa currently has at least 11 million managers. To have a significant impact on the management landscape in Africa, we should aim to reach 1 in 10 of them over the next decade – 1 million people.

2) **African managers are ill-equipped.** Large companies are forced to import expats; smaller companies become overly dependent on a small group of senior managers; NGOs struggle to execute their vision on the ground; and investors have to get operationally involved, which limits deal-flow. We need more well-trained and competent managers.

3) **The management development ecosystem is woefully inadequate to develop the quantity and quality of managers that we need.** There are roughly 90 business schools in Africa – one per 11 million people. Fewer than 10 of them meet international standards. Another 40 offer reasonable quality, but usually fail to translate theory into useful, practical knowledge, and too often have poor links with business. The training market for middle managers is fragmented and low quality. There are a few good SME programs but they have struggled to find scalable and sustainable business models.

4) **We need a systemic approach to improving the quality of management across Africa, involving providers, inputs, organisational enablers and quality assurance.** This should include a) Building or enabling new institutions and programs, particularly in the middle of the market, b) Developing high-quality inputs to support new and existing programs and institutions, c) Supporting organisations to develop their own people through effective systems and training, d) Creating recognized quality-control mechanisms for individuals, organisations and providers. All of these must be underpinned by a scorecard of the key competences, skills and behaviours we wish to promote.

The challenge now is to choose our areas of focus, and to develop the documents and data that will catalyze interest and resources around those key points of leverage. It is essential that we focus on organisations as well as individuals, and that interventions start to build a network of
managers who exhibit the kind of behaviours we aspire to cultivate. This will bring us closer to our ambitious goal of developing 1 million managers with the skills, qualities and competences to drive Africa’s next phase of growth and development.
References


Allen, E. & Seaman, J., Class Differences: Online Education in the United States, Sloan Surveys, 2010


Berge, L., Bjorvatn, K., Juniwaty, K.S., & Tungodden, B; Business training in Tanzania: From research driven experiment to local implementation, NHH working paper, 2011


Boston Consulting Group: The African Challengers: Global Competitors Emerge from the Overlooked Continent, 2010


The Economist, *Grow Grow Grow: What makes emerging market companies run?*, 2010


Wilson, G. *Changing the way we do business: A scoping project on capacity building for civil society and social entrepreneurs in southern Africa*, The Centre for Leadership and Dialogue, Gordon Institute of Business Science (GIBS), 2011

World Bank; Accelerating Catch-Up: Tertiary Education for Growth in Sub-Saharan Africa, 2009)

Appendix 1: List of Interviewees (Confidential. See separate document)

Appendix 2: Interview guide

Introduction

This research is part of a new project called the African Management Initiative, which aims to contribute to the economic development of Africa by raising significantly the quality and quantity of managers working in organisations across all sectors (private, public and NGO) and all levels (from entry-level to senior executive).

The goals and design of the initiative will be informed by the results of this survey. Our first step is to survey management education and training on the continent. We are conducting 60 minute phone interviews with management education experts, employers, training providers and other leading thinkers in the space. We hope to discover what is already happening in management training and education in Africa, what works well and what has failed, to identify the gaps and to find out where we should concentrate resources for maximum impact.

All results and data will be made available to interested parties, although any we can ensure anonymity if required. Thank you for participating.

Questions on specific supply-side programs/schools/initiatives:

Why was your programme/project/initiative/school started? What was the goal?

Who do you serve: your clients (nature of businesses or NGOs etc)

 , your students (where do they come from? How are they funded? (Own resources, employers, aid...?)

What do you do, tell me about it...

What have you achieved? What measures do you use to know you are succeeding?

(Probe: any systematic follow-up with ex-students or their employers?)

What works well? What doesn’t?

(Probe: What are the biggest challenges? How have you overcome them?)

What is the totally necessary core to what you do – the thing(s) without which it would not work?

Would you like to see what you are doing replicated? What would make replication possible? What was it that enabled you to succeed? What would you do to enable others to replicate successfully?

Do any other institutions in your [city, country] offer similar programs?
Questions for Employers: The Need

First on your company:

Please clarify your position and responsibilities (if not already clear)

About how many people does your company employ (in Africa)? How many countries?

Are you planning to expand the business and grow employment?

Clarify: We are referring to “managers” as people with a line management responsibility.

Where do your managers come from? Are they generally:

Promoted from within the firm?

Recruited externally, from domestic sources?

Brought in from abroad, or expats?

Do you see a serious management gap in your organisation (in terms of function/level in organisation/and competence? If so:

is the gap about technical skills,

about a particular function, or

a particular level, eg middle managers

What type of competences and qualities do we need to inculcate in African leaders, managers and entrepreneurs? Think of two or three managers who are already doing what we dream of; then think of two or three who should be, but are not. What are the differences between these two sets of managers?

What does Africa need in terms of management training and education? (in abstract terms)

Where are the gaps for Africa most critical? (in terms of geography, level of seniority, age, sector)

Questions for Employers: The Solution

Do you now provide any form of management training?

Internal? External? (Describe)

Are your current programs effective? If not, why not?

What kind of training and education programs would meet these needs [your needs?] most effectively?

Probe: What type of programs would be most useful for your company and staff?

How should these programs be delivered? What type of institutions and initiatives do we need?
What type of methods should be used? Why?

Do you have a particular theory or approach to management? (for employers). Is there anything that has worked very well, or not worked?

What have you read or heard that has really helped you manage effectively? What have you read or heard from the generally received best practice that has not worked well in your context?

What have you seen that is really effective, in terms of training/education, in any context? What efforts seem to be wasted? In other words, what should we avoid doing?

What are the really effective companies and who are the effective managers in Africa?

If you were running AMI, what would you do?

Who else do you recommend we speak to in order to find out what will actually make the difference to how well managers manage in Africa?
<table>
<thead>
<tr>
<th>Country</th>
<th>School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya</td>
<td>Jomo Kenyatta University of Agriculture, Engineering, and Veterinary Medicine School of Business and Management</td>
</tr>
<tr>
<td>Kenya</td>
<td>Kenya Methodist University School of Business</td>
</tr>
<tr>
<td>Kenya</td>
<td>Strathmore Business School</td>
</tr>
<tr>
<td>Kenya</td>
<td>University of Nairobi School of Business</td>
</tr>
</tbody>
</table>
| France  | ESSEC Business School 
Aix-Marseille University |
<table>
<thead>
<tr>
<th>Number</th>
<th>Name of School of Business</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tshwane University of Technology, School of Business Management and IT</td>
<td>South Africa</td>
</tr>
<tr>
<td>2</td>
<td>University of Pretoria, School of Business and Economic Science</td>
<td>South Africa</td>
</tr>
<tr>
<td>3</td>
<td>University of Johannesburg, School of Business and Economics</td>
<td>South Africa</td>
</tr>
<tr>
<td>4</td>
<td>University of Cape Town, Graduate School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>5</td>
<td>University of Stellenbosch, School of Business and Economics</td>
<td>South Africa</td>
</tr>
<tr>
<td>6</td>
<td>University of the Free State, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>7</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>8</td>
<td>University of Johannesburg, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>9</td>
<td>University of the Western Cape, School of Accounting and Finance</td>
<td>South Africa</td>
</tr>
<tr>
<td>10</td>
<td>University of the Western Cape, School of Management and Marketing</td>
<td>South Africa</td>
</tr>
<tr>
<td>11</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>12</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>13</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>14</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>15</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>16</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>17</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>18</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>19</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>20</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>21</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>22</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>23</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>24</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>25</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>26</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>27</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>28</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>29</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>30</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>31</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>32</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>33</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>34</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>35</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>36</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>37</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>38</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>39</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>40</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>41</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>42</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>43</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>44</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>45</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>46</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>47</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>48</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>49</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>50</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>51</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>52</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>53</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>54</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>55</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>56</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>57</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>58</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>59</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>60</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>61</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>62</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>63</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>64</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>65</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>66</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>67</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>68</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>69</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>70</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>71</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>72</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>73</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>74</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>75</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>76</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>77</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>78</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>79</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>80</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>81</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>82</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>83</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>84</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>85</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>86</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>87</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>88</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>89</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>90</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>91</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>92</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>93</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>94</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>95</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>96</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>97</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>98</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>99</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
<tr>
<td>100</td>
<td>University of the Western Cape, School of Business Administration</td>
<td>South Africa</td>
</tr>
</tbody>
</table>

**Appendix 3: List of African Business Schools**
## Appendix 3: List of African Business Schools

<table>
<thead>
<tr>
<th>University Name</th>
<th>Location</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Stellenbosch Business School</td>
<td>South Africa</td>
<td>Stellenbosch University School of Business Management and Economics</td>
</tr>
<tr>
<td>University of Cape Town Graduate School of Business</td>
<td>South Africa</td>
<td>Graduate School of Business Administration</td>
</tr>
<tr>
<td>University of the Free State School of Management</td>
<td>South Africa</td>
<td>University of the Free State School of Management</td>
</tr>
<tr>
<td>North-West University Business School</td>
<td>South Africa</td>
<td>North-West University Business School</td>
</tr>
<tr>
<td>University of Pretoria Business School</td>
<td>South Africa</td>
<td>University of Pretoria Business School</td>
</tr>
<tr>
<td>University of Johannesburg Business School</td>
<td>South Africa</td>
<td>University of Johannesburg Business School</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
<tr>
<td>University of Cape Town Faculty of Commerce</td>
<td>South Africa</td>
<td>University of Cape Town Faculty of Commerce</td>
</tr>
</tbody>
</table>
| University of Cape T
Appendix 4: AABS Membership Criteria

1. Staff

1.1 Applicants must have a minimum of 12 permanent resident full-time faculty members, with relevant postgraduate degrees or qualifications. Up to six of the 12 full time faculty may be shared with other departments in the parent institution provided that at least 50% of their workload is allocated to the Business School. (Non Negotiable criteria)

1.2. At least six permanent full time faculty members must have Doctoral Degrees. (Non Negotiable criteria)

1.3. Applicants must demonstrate a sustainable staff development programme by providing a document describing faculty development.

2. Intellectual Contributions:

2.1. Each institution must have an output of two points per full time faculty equivalent during the three preceding years. Points to be calculated as: book - 2 points, refereed article - 2 points, case study or practitioner article - 1 point, chapter in a book - 1 point and conference paper – 1 point.

3. Teaching Requirements

3.1. Applicants must have at least 500 hours classroom time in the MBA or equivalent Masters Programme. (Non Negotiable criteria)

Distance learning institutions must demonstrate that students engage in activities equivalent to 500 hours of classroom time in the MBA or equivalent masters program. This can be done through:
- regular scheduled contact, either face to face, or by electronic media with faculty members.
- required study schools throughout the course of the year
- Study groups of students meeting according to a prescribed timetable during the course of a year
- assignments which require students to engage in the application of the material in the workplace, including engaging with executives and colleagues. (Non Negotiable Criteria) Please provide this information in a word document.

3.2. Applicants must provide a document describing their teaching methods, illustrating the use of participative learning, for example through the use of case studies, syndicate groups, action learning and projects.

3.3. Applicants must demonstrate that materials and cases include local and African market content.
4. **Fees:**

4.1. Applicants’ minimum annual full tuition fee for the MBA or equivalent must be at least $3 500 per student.

5. **Executive Education:**

5.1. Applicants must provide at least 40 days of executive education per year. (Non Negotiable criteria)

5.2. The Executive Education fee should be no less than $100 per day per participant.

6. **Quality assurance**

6.1. Applicants must demonstrate the use of an independent quality assurance system on the MBA programme, such as a national accreditation body, external examiners or another quality controlling body. (Non Negotiable criteria)

7. **Association’s website**

7.1. All Faculty Members from Schools applying for AABS Membership must register on the Association’s website.

**AABS members:**

1. Join the AABS network

2. Are listed as AABS members on the AABS website and in AABS correspondence

3. Will receive a visit from a Mentor (from the AABS Advisory board, AABS Board, or an AABS consultant) for a 3 day period once every three years.

4. Are encouraged to host any AABS meetings or events

5. Can display the AABS logo on their correspondence, website and school.

6. Attend AABS workshops and meetings at discounted rates

**Current membership fees is $3 000.**

AABS Pipeline Schools
Schools that do not yet meet all the non-negotiable criteria for AABS but would like to aspire to meet those criteria in the next two years can join AABS as “AABS Pipeline Schools”.

AABS pipeline school applicants would:

1. Join the AABS network
2. Would be eligible to attend the Annual AABS Members Conference
3. Will be assigned a Mentor (from the AABS Advisory board, AABS board or an AABS consultant) for a year period (which could be extended if needed). The mentor will visit the school for three days once during the year, they will also be available for email and telephonic contact and support during the year.
4. Be able to join AABS Workshops at discounted AABS member rates.
5. Receive AABS peer visits

AABS pipeline school would need to:

• Submit an online application form
• Meet at least 2 of the five non-negotiable criteria
• Must offer an MBA or equivalent Masters programme
• Pay an annual fee of $2,500 per year
• Need to aspire to meet the AABS non-negotiable criteria within a period of three years.
• Applications to be an AABS pipeline school can be submitted at any stage.
## Appendix 5: Country Analysis

<table>
<thead>
<tr>
<th>Country Name</th>
<th>2010 GDP per Capita USD</th>
<th>*No. of Business schools [Tie Global Competitiveness Index Rank (WEF)]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equatorial Guinea</td>
<td>36475</td>
<td>0</td>
</tr>
<tr>
<td>Gabon</td>
<td>23069</td>
<td>0</td>
</tr>
<tr>
<td>Gabon</td>
<td>14526</td>
<td>0</td>
</tr>
<tr>
<td>Botswana *</td>
<td>13786</td>
<td>1</td>
</tr>
<tr>
<td>Mauritius *</td>
<td>13576</td>
<td>0</td>
</tr>
<tr>
<td>South Africa *</td>
<td>10486</td>
<td>12</td>
</tr>
<tr>
<td>Tanzania *</td>
<td>8524</td>
<td>0</td>
</tr>
<tr>
<td>Namibia</td>
<td>6426</td>
<td>2</td>
</tr>
<tr>
<td>Egypt, Arab. Rep. *</td>
<td>6281</td>
<td>4</td>
</tr>
<tr>
<td>Angola</td>
<td>5035</td>
<td>0</td>
</tr>
<tr>
<td>Mali</td>
<td>5033</td>
<td>0</td>
</tr>
<tr>
<td>Swaziland</td>
<td>4468</td>
<td>4</td>
</tr>
<tr>
<td>Morocco *</td>
<td>4214</td>
<td>0</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>3354</td>
<td>2</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2363</td>
<td>3</td>
</tr>
<tr>
<td>Somalia</td>
<td>2264</td>
<td>0</td>
</tr>
<tr>
<td>Sudan</td>
<td>2239</td>
<td>0</td>
</tr>
<tr>
<td>Mauritania</td>
<td>1930</td>
<td>0</td>
</tr>
<tr>
<td>Senegal</td>
<td>1917</td>
<td>2</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>1885</td>
<td>0</td>
</tr>
<tr>
<td>Kenya</td>
<td>1635</td>
<td>4</td>
</tr>
<tr>
<td>Ghana</td>
<td>1625</td>
<td>2</td>
</tr>
<tr>
<td>Benin</td>
<td>1576</td>
<td>0</td>
</tr>
<tr>
<td>Zambia</td>
<td>1550</td>
<td>2</td>
</tr>
<tr>
<td>Lesotho</td>
<td>1533</td>
<td>0</td>
</tr>
<tr>
<td>Tunisia</td>
<td>1423</td>
<td>3</td>
</tr>
<tr>
<td>Gabon</td>
<td>1400</td>
<td>0</td>
</tr>
<tr>
<td>Chad</td>
<td>1360</td>
<td>0</td>
</tr>
<tr>
<td>Togo</td>
<td>1268</td>
<td>1</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>1247</td>
<td>0</td>
</tr>
<tr>
<td>Guinea-Bissau</td>
<td>1177</td>
<td>0</td>
</tr>
<tr>
<td>Rwanda</td>
<td>1155</td>
<td>1</td>
</tr>
<tr>
<td>Comoros</td>
<td>1009</td>
<td>0</td>
</tr>
<tr>
<td>Guinea</td>
<td>1040</td>
<td>0</td>
</tr>
<tr>
<td>Mali</td>
<td>1037</td>
<td>1</td>
</tr>
<tr>
<td>Malawi</td>
<td>1033</td>
<td>0</td>
</tr>
<tr>
<td>Togo</td>
<td>991</td>
<td>0</td>
</tr>
<tr>
<td>Madagascar</td>
<td>901</td>
<td>0</td>
</tr>
<tr>
<td>Mozambique</td>
<td>915</td>
<td>0</td>
</tr>
<tr>
<td>Malawi</td>
<td>876</td>
<td>0</td>
</tr>
<tr>
<td>Burundi</td>
<td>821</td>
<td>0</td>
</tr>
<tr>
<td>Central African Republ</td>
<td>793</td>
<td>0</td>
</tr>
<tr>
<td>Niger</td>
<td>722</td>
<td>0</td>
</tr>
<tr>
<td>Eritrea</td>
<td>542</td>
<td>0</td>
</tr>
<tr>
<td>Liberia</td>
<td>416</td>
<td>0</td>
</tr>
<tr>
<td>Burundi</td>
<td>405</td>
<td>0</td>
</tr>
<tr>
<td>South Sudan, Rep.</td>
<td>345</td>
<td>0</td>
</tr>
<tr>
<td>Djibouti</td>
<td>345</td>
<td>0</td>
</tr>
<tr>
<td>Libya</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Samuel</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South Sudan</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

128
Appendix 6: Participating Organisations

AMI is a collaborative initiative formed by:

Association of African Business Schools (www.aabschools.com)

AABS is the representative of the leading business schools in Africa, and the only continent-wide association of schools of management. It was established six years ago and has 23 members in nine countries. It is governed by an elected board, currently made up of the deans of the following member schools: the Graduate School of Business of the University of Cape Town, South Africa; UNISA School of Business Leadership, Zambia; Strathmore Business School, Kenya; University of Dar es Salaam Business School, Tanzania; Lagos Business School, Nigeria; American University in Cairo Business School, Egypt; and the Gordon Institute of Business Science of the University of Pretoria (GIBS), South Africa. The secretariat is hosted by GIBS in Johannesburg and GIBS provides an accounting service to AABS.

Global Business School Network (GBSN)

GBSN is an international non-profit network of leading business schools and is engaged in all aspects of business and management education. The mission of GBSN is to strengthen business and management education for developing countries through its unique network. Activities include modernising curricula and pedagogy, developing strategic plans, and strengthening management education for particular sectors such as health, tourism, NGOs and entrepreneurship. GBSN brings access to international expertise and cutting-edge practices of management education through their network of 46 top-ranked business schools. GBSN is based in Washington D.C. and is a registered 501 (c) 3 non-profit organisation.

The Lundin Foundation

The Lundin Foundation is the philanthropic arm of the Lundin Group of Companies. The Lundins are natural resource entrepreneurs who have enjoyed considerable success in Africa and elsewhere for over 35 years and have a strong commitment to ensuring that benefits from the resource sector are shared with host countries and communities. The Lundin Foundation embodies the entrepreneurial spirit of the Lundin Family. The Foundation invests in high potential small- and medium-sized businesses across Africa, with a view to generating wealth and employment needed to alleviate poverty on a sustained basis. Strategic grants are deployed to provide investees with technical or
managerial assistance, pilot or field-test innovative pre-commercial products or services, or to help outstanding individuals and organisations solve critical systemic challenges.

The Tony Elumelu Foundation

The Tony Elumelu Foundation (TEF) is an Africa-based and African-funded not-for-profit institution dedicated to the promotion and celebration of excellence in business leadership and entrepreneurship across Africa. As a 21st century catalytic philanthropy, the Foundation is committed to the economic transformation of Africa by enhancing the competitiveness and growth of the African private sector. Founded in 2010 by Tony O. Elumelu, MFR, the Foundation identifies and addresses systemic challenges that inhibit African entrepreneurs. The Foundation operates through a series of programmes and initiatives to generate action and capital that foster competition in the African private sector. These include leadership development initiatives to transform management education in Africa, with a particular focus on Africa’s business schools. TEF’s flagship initiative is the African Markets Internship Programme (AMIP), which matches MBA students from top African and international business schools with innovative mid-sized African-owned businesses across the continent. TEF also runs a grants programme to scale innovative initiatives that contribute to fulfilling the mission of the Foundation.