UNLOCKING POTENTIAL: The Importance of Management Education

3rd Annual Meeting of the
Global Business School Network
July 9-10 2008

GBSN would like to thank USIU for their generous support in hosting the GBSN meeting on their campus in Nairobi, Kenya.

The third annual meeting of the Global Business School Network (GBSN) was held on July 9-10, 2008 in Nairobi, Kenya. The purpose of the meeting was to bring together representatives of the network along with other interested and relevant parties to continue exploring best practices in business education, discuss new ways of forming beneficial partnerships, and foster stronger ties among partner schools. The theme this year was promoting local business schools as an innovative tool for national development.

Representatives of business schools, foundations, civil society, government and companies from around the world came together to discuss the importance of management education in implementing successful growth and development strategies. Eighteen representatives of GBSN member schools from 7 countries were present, while 60 representatives from an additional 22 business schools participated. The meeting was also well attended by members of the private sector and several NGOs and development organizations sent participants.

During the course of two days, a number of sessions were held on various topics surrounding the central theme. The sessions included:

- GBSN Members Meeting
- Importance of Management Education
- Strategic Advantage of Business Schools
- Project Showcase
- CEO Roundtable
- Health Management
- Tourism Management
- NGO Management
- Entrepreneurship and Microfinance
- Technology in Business
- Management Education Best Practices
Throughout the discussions, the importance of management education for national development was often highlighted. The message from the private sector was clear – business schools must be more relevant. They were challenged by the CEO Roundtable to produce graduates who could navigate the challenges of the local environments while negotiating the complexities of a global economy.

**GBSN Members Meeting**

GBSN Members and interested observers met during the morning session on July 9. The purpose of this meeting was to update members on the ongoing activities of the Association of African Business Schools (AABS) and MERC, as well as provide a forum for member schools to share their ongoing activities. The meeting then turned its focus to better defining GBSN, including criteria, expectations, and benefits of GBSN membership.

AABS led us into the discussion with a presentation on their past, present, and future activities, such as the 4th annual Teaching the Practice of Management workshop and an update on their new members and membership criteria. Participants offered AABS a new logic with which to present their work in a clear, succinct manner. All agreed that a three-pronged approach to summarizing the value added of AABS would clarify their pitch to potential funders.

For the discussion on GBSN, an issues paper was circulated which sought to lay out the structure of GBSN, its relationship to MERC, and some of the areas which need further clarification, such as membership. On the question of the future of GBSN membership, present members supported the idea of maintaining the exclusivity of the network, which adds value and credibility to GBSN. The issue of membership criteria was discussed, with a number of possible factors presented. Additionally, the expectations and benefits to members was discussed which helped to clarify the purpose of GBSN. The relationship between MERC and GBSN was brought up and a proposal was made to create an Academic Advisory Board on which five or six gatekeepers of GBSN member schools would sit with the purpose of advising MERC on activities. This would bring a direct, institutional link to MERC and GBSN beyond MERC’s role as secretariat. Beyond structure, GBSN activities were discussed and some suggested GBSN become more engaged in supporting student projects and exchanges by linking member schools with schools in Africa and other parts of the developing world. General consensus encouraged the use of GBSN as a framework for members to leverage in order to engage in new projects and attract funding. GBSN can loan its members the sustainability and credibility of the network’s past and current activities towards this goal.

This meeting greatly advanced the ideas about redefining GBSN’s purpose and structure, and these ideas will inspire ongoing discussions. Based on this meeting, MERC will explore the possibility of moving towards a more sustainable model for
GBSN, involving an institutional commitment from member schools to secure a stable base of active membership.

**Importance of Management Education**

This session was the opening session for all non-GBSN members and welcomed participants from academia, business, non-profit, and government. Dr. Manu Chandaria, Chairman of Mabati Rolling Mills, gave the keynote address. Dr. Chandaria said that now is the time for Africa, now is the time for solutions. He challenged business schools to put fire in the belly of their students, to teach them to think out of the box, and most importantly to be part of the solution. He asked participants to see Africa as the opportunity it is, not as a continent of hopelessness and despair. He spoke of his own experience, and that of his family’s, as entrepreneurs and business people in Kenya, Africa, and in 45 countries throughout the world. He used his example to show profitable business in Africa is not only doable, it's being done. What is required, Dr. Chandaria said, is leadership and vision. Business schools both in Africa and around the world must produce graduates with leadership skills, with a belief in not only success, but significance, with fire in the belly.

Dr. Chandaria's address set the stage for the rest of the sessions, challenging the participants to think about what role business and management education has played and what roles it can play. He connected the academic and the practical and illustrated the crucial role strong business leaders play in leading economic growth and national development.

**Strategic Advantage of Business Schools**

Five panelists spoke on the topic of the strategic advantage of business schools. The panelists included Dr. Manu Chandaria, Landis Gabel of INSEAD, Dr. Shaukat Brah of Lahore University of Management Science, Professor George Njenga of Strathmore Business School, and Dr. Jeffrey Fine, a consultant working on MERC's health management program and founding President of the African Economic Research Consortium.

Panelists offered their thoughts on the potential contributions of business schools, including their unique role in the innovation process, especially in raising the capacity of systems to absorb advances in technology, their ability to produce drivers of change, and their promotion of strategic thinking and planning. Business schools are unique in their student-centered approach to learning, their multidisciplinary nature, their flexibility in adapting curricula, and their emphasis on praxis rather than the theoretical. The relevance of the “western model” in Africa was mentioned and the “knapsack analogy” for business school curriculum was made, citing that only so much can be put into it therefore each school must understand its own market in making it's strategic decisions in staff recruitment and development policy. The panelists also discussed the importance of striking the
right balance between academic and practitioner oriented research and stressed the importance of rigor and relevance.

**Project Showcase**

On the evening of July 9, a Project Showcase was held, made possible by Goldman Sachs support, during which time schools and partner organizations had the opportunity to show off their ongoing programs. Goldman Sachs took this opportunity to share information on their new *10,000 Women* initiative with participants, a program to support business and entrepreneurship training for women across the developing world. During the showcase, informational booths were set up by the following schools and organizations:

- Goldman Sachs
- MIT - Sloan School of Management
- IESE
- HEC
- Thunderbird School of Global Management
- Columbia Business School
- Jomo Kenyatta University Agriculture & Technology (JKUAT)
- United States International University (USIU)
- Enterprise Development Services (EDS)
- Eastern and Southern Africa Management Institute (ESAMI)
- Management Education & Research Consortium (MERC)
- Association of African Business Schools (AABS)
- European Foundation for Management Development (EFMD)

Following the showcase, participants enjoyed dinner, also sponsored by Goldman Sachs, as they listened to the evening's address given by Mr. Gene Sperling, Director of the Center for Universal Education at the Council on Foreign Relations and consultant to the *10,000 Women initiative*. Mr. Sperling spoke on behalf of Goldman Sachs and talked about the importance of educating women in business and leadership if we are to achieve shared growth.

**CEO Roundtable**

The opening session on July 10 was the CEO Roundtable. The session was moderated by Professor Murray Low of Columbia Business School and had a panel of guests which included:

- Mr. Vimal Shah, CEO of Bidco
- Mr. James Gachui, Chairman of Transcentury
- Dr. Manu Chandaria, Chairman of Mabati Rolling Mills, Ltd.
- Mr. Mahmud Janmohamed, Managing Director of Serena Hotels
- Ms. Ingrid Munro, Chair of Jamii Bora

The CEOs challenged business schools to be relevant not only to big business but to microenterprises; to teach practical skills and prepare students for the reality of the business environment in which they'll work. The CEOs shared their experience in
business and in looking for qualified management talent. They talked about entrepreneurship and the need for more innovative problem solvers. Through questions from the audience, the issue of being a “global business school” versus a “local business school” was discussed and the idea that not every school needs to compete on the global level, but some might find their niche in serving their local market well.

Issue specific workshops

After the CEO Roundtable, the participants broke into smaller groups for sector specific discussions to understand better how business schools play a role in addressing the human resource needs of different sectors. The following workshops were held: Health Management, Tourism, NGO Management, Entrepreneurship and Microfinance, and Technology in Business.

Health Management:
The workshop was facilitated by a panel of guests including Dr. Maureen Nafula of Strathmore Business School, Dr. Sid Nesbitt and Mr. Gordon Odundo of Gertrude’s Garden Children’s Hospital, Nairobi; Dr. Joseph Dwyer of Management Sciences for Health, and Professor Michael Radnor of the Kellogg School of Management.

Participants shared their own backgrounds and experiences in the health sector and called unanimously for increased management skill in the health sector. A number of participants from the Kenyan health care system cited the lack of management training of those in leadership positions and discussed the need to inject such training into the technical education medical staff receive, and the need to establish a clear career path in health management, outside of the medical/technical path. Following the discussions, Dr. Dwyer of MSH shared a presentation on recent findings from the Kenya Health Sector Survey, which clearly shows that leadership and management skills are among those most needed, but least taught in the health sector.

Tourism:
The Tourism workshop was facilitated by Professor Winifred Karugu of Jomo Kenyatta University of Agriculture and Technology and Mr. Janmohamed, MD of Serena Hotels. The discussion focused on a case study written by Prof Karugu about Serena Hotels and their experience throughout the crisis, which Kenya suffered in early 2008.

Thanks to Mr. Janmohamed’s presence, participants had a chance to discuss with him the actual outcomes of the case. This led to additional discussions on human resource management during crises and general management issues in the tourism sector.
NGO Management:
Prof. Charles Mayaka of USIU and Ms. Nthenya Mule, regional director of Acumen Fund co-facilitated the workshop.

The number of NGOs in Kenya increased from about 4,000 in 2006 to 6,200 today, largely owing to post-conflict activities. The discussion revolved around the aspiration of most NGO participants to move toward financial sustainability. They saw this need as crucial to their future and to their effectiveness. They wish to wean themselves away from the burdensome reporting requirements as well as vagaries (and short funding horizons) of a multiplicity of funders. Hence their keen interest in honing their business skills, including strategy – notably their ability to define their core competitive advantages - finance, marketing, HR management, and other skills which business schools can help them to improve.

Entrepreneurship and Microfinance:
The Entrepreneurship and Microfinance workshop looked at business training for entrepreneurs and small business owners. The session was facilitated by Mr. Peter Bamkole, Director of Enterprise Development Services, an entrepreneurship training and networking facility at Lagos Business School; and by Ms. Ingrid Munro and Mr. Kibi Kariithi of Jamii Bora, the largest non-bank microfinance organization in Kenya.

Mr. Bamkole shared his experience in training owners of small businesses in Nigeria and offered lessons learned, including the use of practitioners in teaching courses, a focus on experience, and the importance of post-classroom activities, including networking and mentoring.

The facilitators from Jamii Bora discussed their experiences in running a microfinance organization and the need for management training that is customized for the special needs of micro-level business people. Jamii Bora has been successful in delivering some training via radio and has often used successful members as mentors for new clients. A discussion followed about the unique nature of entrepreneurship training and how business and management schools can play a useful role. The workshop ended with two of Jamii Bora’s clients sharing their stories with participants.

Technology in Business:
Dr. Meoli Kashorda of USIU, Mr. Kevit Desai of the Kenya Private Sector Alliance, and Mr. Sean McLean of IBM led the discussion. Dr. Chandaria also contributed his experience in this sector with an emphasis on the importance of training. The crux of the discussion focused on the need for business to trust local talent to meet market demands and not unnecessarily to outsource work and funds across the ocean. Also, in order to cultivate this local talent, universities must fight to keep up with the fast-evolving times and design more competitive, up-to-date curricula.
**Best Practices Workshop**

The meeting’s last session focused on best practices in management education, from pedagogy to administration. The session began with a discussion of the case method, facilitated by Professor Robert Kennedy of the William Davidson Institute, University of Michigan. Prof. Kennedy discussed cases as one tool along a spectrum of teaching methods and noted their importance in teaching students how to make critical decisions with limited information. Participants then heard from Professor Juan Elegido, Dean of Lagos Business School on why it is important for the dean of a business school to support the case method in order to ensure its use in the classroom. Professor Charles Mayaka of USIU spoke of his experiences in a relatively new case writing program and the challenges he experienced in getting the business community to open up their doors for case research; as well as internal hurdles he faced in getting faculty to adopt the new method, the university administration to appreciate its merits, and students to understand how to make the most of classroom case discussion.

Professor Anjali Sastry of MIT Sloan then gave a presentation about project based teaching methods and experiential learning used to immerse students in the reality of doing business while still under the guidance of faculty. MIT Sloan offers many courses in which students work on real-life projects and Prof. Sastry offered some advice on organizing such courses. She had learned to search for projects herself rather than leaving it up to her students, so as to maintain common themes around which she can shape class discussions. When faculty choose the projects themselves, they also have the advantage of making sure the size and scope of the project is realistic for the time available. Prof. Sastry discussed the use of blogs as an effective tool for students to document their work as they go along, to make predictions, and record results.

Following Prof. Sastry, Professor Landis Gabel of INSEAD led a discussion on the administration of business schools and the strategic decisions business school administrations must make in developing their institutions. Rather than offer best practices of Western schools, Prof. Gabel highlighted the opportunity African schools have to break the mold and create a new model of business education that reflects both the African context and the global marketplace. One such opportunity is to shed the standard model of a two-year MBA program for a more flexible approach. Speaking from the INSEAD experience, Prof. Gabel offered the benefits of their one-year MBA, which makes it easier for companies to offer employees leaves of absence. The content of the learning and total credit hours matter more than adherence to a one or two year structure. It is up to African business schools to develop programs best adapted to the realities of their environment.