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Africa's B-School Challenge

Its economy is growing, but the continent lacks a developed B-school network, says the head of the Association of African Business Schools

As one of the last economic frontiers, Africa is looking for leaders. Improving business schools that can produce them is a key way to solve the problem, says Nick Binedell, director of the Gordon Institute of Business Science in Johannesburg, South Africa.

In 2005, the Global Business Schools Network, which was funded by the International Finance Corporation (IFC), announced the launch of the Association of African Business Schools, a group with 12 member schools from various African countries that is developing partnerships among educators to determine best practices and help expand the management training available on the continent (see BusinessWeek.com, 12/26/05, "[Give Africa's B-Schools a Boost](#)").

Binedell, who is also the chairperson of the newly formed association, is hoping the group can improve communication among faculty in different African B-schools. So far, the association has already established itself with proper funding, named six board members, and put together a dean development program and case study database. Binedell recently spoke with BusinessWeek.com reporter [Francesca Di Meglio](#). Here are edited excerpts of their conversation:

You recently said business schools in Africa have the potential to grow. How and why hasn't it happened yet?

I don't really have an answer as to why it hasn't happened. All I would say is that the timing has been good in the last few years. The African economy is growing annually by about 5%. There's a high appetite for insuring in every country that we have the requisite managerial skills.

One of the challenges of Africa is the very uneven nature of economic development. Some countries have fairly advanced economies and others haven't managed to develop their economies fully yet. There's a huge potential for management skill in the continent.

What kinds of management and training needs does Africa have?

I think, in many ways, [African managers need] the same skills managers need anywhere. When we spend time with Asian, European, and American business schools, we notice common needs.

On the other hand, Africa does have issues that are particular to it. For example, African business schools tend to use to excess American case studies about American practices and American companies. We've now established a database of over 160 case studies that are about African stories, successes, and challenges. The material starts to get at the challenges of managing in Africa, where infrastructure is not comparable with the U.S. When you're marketing to low-income economies, you need very different products and services than you would in the U.S. or Europe.

What's the biggest challenge to Africa as it tries to develop leaders through education?

We still have a long way to go when it comes to business schools. If you consider that we're a continent of 850 million people, the business school infrastructure is still considerably underdeveloped.

Determining how to enlarge the scope and role of business schools in the continent is the main challenge now. The debate goes from there to the economy. But for us as an organization, that's the key objective. How do we develop the capacity of African business schools?

One of the successful projects we've run was to bring together faculty from around the continent to work together to spend a week teaching and sharing case studies and developing the business school method. Much of the business education in Africa tends to be fairly traditional in its delivery. The sort of postgraduate, post experience, interactive case-based method is not used as extensively as it could be.

We've been working with business schools like [Harvard](#) and [INSEAD](#) to bring their faculty to Africa and then pull together 60 to 80 faculty from 15 business schools at a time to spend a week working together on teaching the practice. One of the very big issues for us is assuring that we have the right faculty and the combination of academic and practical exposure.

One of the challenges for Africa is that a large number of African professionals don't live on the continent. These things will change when they're ready to change. For many professionals, the U.S. offers a much more beneficial environment for research and teaching. I think one of Africa's biggest exports is intellectual capital. I argue that the developed economies are benefiting enormously from the education systems of Africa.

Leadership is the critical resource of Africa, whether it's government or business or NGOs. It's very unfortunate that so many people leave Africa. I never criticize them for going because it's their right to do so. But it's very unfortunate that we train doctors and engineers with a good education and then they move elsewhere.

What we're trying to do is build a network of those who may not live in their country of origin and re-involve them in African projects. I think that will be very successful. They want to make a contribution. We've already seen that happen in India.

Is there key business research that's happening in Africa?

I think the kinds of issues that C.K. Prahalad has raised in his work on "the bottom of the pyramid" is particularly relevant, and cases are being written about those kinds of companies and markets (see [BusinessWeek.com](#), 1/23/06, "[Business Prophet](#)").

The financial-services sector is a very interesting one in this economy, as is the telecom sector. Interestingly, in the telecom sector, cellular telephony has leapfrogged landline telephony. In many countries, you had very low landline penetration. But in fact, in the last five years, you've seen a very significant increase in connectivity through cellular telephony. Much of the research is about that and how we can use broadband, Internet, and online-based technology to build our markets.

How much of an impact is sustainable business having on the continent, and how is that affecting the type of business education that is needed?

That's a key issue in the continent. In many low-income states, the government is the key part of the economy. In many of the economies, multinationals have a strong presence, and perhaps there has been less development of African-owned businesses. In much of the continent,

although it's dangerous to generalize, African businesses have been small-scale enterprises based on agriculture. That's what needs to change and that's why business schools can play a constructive role (see BusinessWeek.com, 1/19/06, "[Good to Great, a B-School Staple](#)").

Are there unique skills that leaders in Africa need?

Resilience. It's a very challenging continent and a very exciting one, because there are huge opportunities. Africans tend to be very passionate about what they're doing. I think we still need to build large-scale entrepreneurship. But when I go to Lagos or Nairobi, I see that the people put great energy into what they do.

We have the energy of entrepreneurship. We just need to build the infrastructure and legislative environment around it. In many countries in Africa, there's a very heavy-handed bureaucracy. That's a major challenge.

What can U.S. B-schools do to make a contribution?

We have met with a large number of leading business schools, and I think they can make an enormous contribution. The U.S. remains the powerhouse of business and business education. We build relationships with individual schools, and we'll be making trips as members of the association. We've just written to the [accrediting organization] AACSB to see how they can profile what we're doing at their conferences, so people can understand our association better.

Here in Johannesburg, we have large number of [American] MBA students who come to Africa to experience a completely different continent in the same way as they would go to India or China. Individual schools looking at the future of the global economy inevitably come back to the question, "Is Africa the last frontier for economic development?" And I think in a world of 6.5 billion people, 850 million people matter.
