

Exploring possibilities for management education in Africa: The case of South Africa

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Literature indicates that the role of education in driving an economy and in social welfare is beyond any doubts. Across the world, in most of the countries, education is always in the priority of government budgets. Education is a resource in fighting with developmental issues and therefore International organizations like UNESCO, has included educational equity in its agenda for capacity building. Contemporary research highlights a growing need for responsible leadership, sustainable development and social entrepreneurship. Literature also indicates that these issues become more relevant in the context of Africa. South Africa faces some unique challenges which are associated with the country's history. Economic development, equality, addressing skill shortages and unemployment are priorities of government. In such scenario, responsibilities of education institutions include ensuring quality, relevancy, affordability and accessibility of education with inculcating knowledge.

Various readings on these issues and observations have contributed to the development of this paper. This paper is based on the review of related literature, on indications emerging from the review and on the experiences of authors. This paper attempts to explore the possibilities for management education to contribute to the development of a county. While exploring these possibilities, the uniqueness of the African context and changing multi-polar business environment is also considered.

Introduction:

"The world economy is changing as knowledge supplants physical capital as the source of present (and future) wealth" (p9, World Bank, 2000).

These lines indicate growing strategic importance of education in the overall development of a country. Education policies become crucial when the context is developing countries. In South Africa, challenges are many due to its historic past. This scenario indicates possibilities for business schools to contribute in addressing development challenges. This article first examines the role of education with focus on management education in handling development concerns. This is followed by discussions on challenges of African context in order to identify that effective and efficient management of resources and investment in education can be vital. The next section covers South African context and its challenges. This article ends with discussions on possible ways for business schools to contribute in addressing some of the developmental issues in South Africa.

Role of education and management education:

Education has always been one of the indicators of Human Development Index (HDI) and its contribution in the economic growth of a country is undisputed (Gyimah-Brempong, 2010). Education contributes to the empowerment by helping people to think and act to improve their situations (UNDP, 2010). It also ensures development of skills, helps in gaining employment and adds to the growth of economy (UNDP, 2010). The skilled workforce contributes to a country's

competitiveness and to its positioning in the world market (Porter, 1990). Various levels of education (primary, secondary and tertiary) contribute uniquely in strengthening an economy (Bloom, Canning and Chan, 2006; Gyimah-Brempong, 2010). The work of Gyimah-Brempong, (2010) on African countries brought forth that the tertiary level of education had higher impact on various development indicators than other levels. Promoting tertiary education contribute to the technological advancement, which further helps in eradicating poverty, in promoting good governance and in bringing more openness to trade (Bloom, Canning and Chan, 2006). The role of higher education in building skills became vital in the era of knowledge based economies (Bloom, Canning and Chan, 2006; Materu, 2007).

As far as the management education is concerned, researchers identified that it facilitates development of diversified management skills (Saba et al, 2011), promotes creativity and humane attributes among the learners (Karakas, 2011). Management education helps in developing certain entrepreneurial skills (Sánchez, 2010). To address the issues of competitiveness, entrepreneurial education was considered effective (Ehiobuche, Madueke and Ogechukwu, 2011). Technology intensive and research oriented efforts of business schools can contribute in the economic development by improving competitiveness of human resources (Cox and Tylor, 2006; Napier, Harvey and Usui, 2008). It is important to mention that domain of management education is not free from criticism and it requires serious transformation (Gosling and Mintzberg, 2004; Goshal, 2005). However, the potential of effective management education in influencing the broader issues of country and society is beyond any doubt (Starkey and Tempest, 2008).

Business environment or context affects challenges, contents and delivery of management education (Ishida, 1997; Friga, Bettis and Sullivan, 2003). Besides some similarities, business environment and challenges faced by management schools in developing countries are different than the business schools in other countries (Hawawini, 2005; Jamali, 2005; Napier, Harvey and Usui, 2008).

Context: Africa

Performance of many African countries on various socio-economic and human development indicators is poor (Todaro, 2000; Wanjiru, 2005; Pitt, Opoku, Hultman, Abratt and Spyropoulou, 2007). The continent suffers from poverty, poor health system, poor infrastructure, inequalities, population pressures, HIV pandemic, political conflicts and poor governance to name a few (Madavo, 2005). Some of these constraints together like population growth with weak educational systems or population growth with high unemployment rate in long term, creates bigger concerns to the overall development (World Bank, 2012). The continent is also facing challenges in attracting FDI's and most of the FDI inflow is limited to a few large economies and to the sectors like oil, gas and mining (Anyanwu, 2011). Major challenges in the path of growth of Africa can be categorised under "*higher risks, higher transaction cost and weak institutions*" (p128, Ndulu et al., 2007). As per this report, various threats to investment which range from political uncertainty to macroeconomic instability are '*risks*'. While poor infrastructure is contributing to '*higher transaction cost*' and inefficiencies of financial and banking sectors at human, organizational and institutional levels results into '*weak institutions*' (Ndulu et al., 2007). These all constraints resulted in the poor business environment which is responsible for weak performance of African countries on various development indicators (Bah and Fang, 2010).

It seems that the performance of African countries on development indicators has improved in recent years (McKinsey Global Institute, 2010). However, current challenges like jobless growth, high dependence on natural resources, lack of diversification of economy and trade, aid

dependent development, inefficient use of resources and lack of alternative energy sources are hampering the speed of transformation of the continent (Economic Commission for Africa, 2011). While reflecting on Africa's history, Tefe (2009) highlighted that five decades of colonial past of Africa resulted in dependent mentality which proved fatal for empowerment efforts. Poor governance affects entrepreneurship especially in the small and medium business sector which play crucial role in job creation (World Bank, 2012).

Many strategies were suggested to address various issues. Regional integration and investment in critical sectors like agriculture, energy and transportation (United Nation, 2011) is suggested to create sources of domestic development finance, to promote effective leadership and to ensure a strong state which can plan and implement policies (Economic Commission for Africa, 2011; Ackbarally, 2011). They also recommended regional integration to reap advantages of economies of scale and highlighted how a visionary leadership can facilitate innovation and prioritize projects of national importance. Since many issues are related to human mindset, "*education leading to change in behaviour and attitude*" has more chances of success (p159, Tefe, 2009). Inferences drawn from the analysis of the literature indicates that (a) African countries are facing developmental challenges, (b) some of these issues are contextual in nature, (c) an efficient and effective management of natural and human resources is required to speed up the progress of growth and (d) Investment in education which can empower minds of people, can create employment and can promote entrepreneurship seems promising.

African countries display diversity in terms of resources, challenges, constraints and opportunities (Ndulu et al., 2007), it is essential to take a closer look at specific country in order to understand its constraints and strengths.

South Africa: Contextual strengths and Challenges

South Africa is a sixteen year old young democracy (Euromonitor International, 2011). It is regarded as a middle income country which is a part of emerging market economies of the world (Economic Commission for Africa, 2011). Strong financial and banking systems, diversified export, rich mineral resources, large size of economy and simplified tax system are considered as main strengths of South Africa (Euromonitor International, 2011 and 2010; Ndulu et al., 2007). South African infrastructure is considered better among African economies, but it requires upgrading to remain competitive in the future (World Economic Forum, 2011).

Besides earlier mentioned positives, South African markets are suffering from inefficiencies in labour market, rigidity in employment and wage policies, stressed labour-employer relations and poor performance on health indicators (World Economic Forum, 2011). Unequal distribution of wealth and income, shortage of energy sources, higher public debt, low saving, high crime rate, high unemployment and shortage of skill are also considered major challenges in the development of country (Euromonitor International, 2011 and 2010; Ndulu et al., 2007). It is surprising to observe that in 2009, the country had high literacy rate (88%) but unemployment (around 23.7%) was also high (Euromonitor International, 2010). These reports considered unemployment and skill shortages, especially shortage of professional skills as major obstacles in the development of the country.

A deeper look in the history of the country indicates that challenges like skill shortage and high unemployment are interlinked and are legacy of political past which was discriminating to advantage few (Lynham and Cunningham, 2004; April and April, 2007). Researchers like Badat (p 457, 2011) highlights that under the influence of past, South Africa still suffers from "*disparities in wealth, income, opportunities and living conditions*". On this backdrop,

globalization is adding international competition which although is an opportunity, adds to the challenges (Harris and Lauderdale, 2002).

A quick review of the literature analysed so far indicates that addressing these issues is going to be long hauling and tedious process. It also brought forth that such process will require visionary leaders, participation of public and private enterprises, efficient and effective management of projects of national importance. In South African context, it is evident that understanding the crucial nature of situation, education sector (Twalo, 2010) especially management education has to take more responsibility (Nienaber, 2007).

Management Education and South Africa: Some possibilities

When it comes to South Africa, skills related to management are recognized as a scarce skill (South African Department of Labour, 2008). Number of students in South African management schools are growing especially from the previously disadvantaged classes (Council on Higher Education, 2004) and from the other African countries (Council on Higher Education, 2009). These trends indicate increase in importance of management education. Management education has been facing challenges like how to address inequality in higher education and business sector, how to reach to masses, how to remain contemporary and how to provide skills that are sustainable (April and April, 2007; Bruton, 2008; Heaton, 2008; Purushottam and Rwelamila, 2011). Review of literature so far highlights that addressing skill shortages, ensuring social welfare and competitiveness are the urgent and important issues in front of management education. In addressing these issues, business schools in South Africa can contribute through various initiatives like:

- Business school can facilitate international collaborations which may help in standardizing quality of management education (Napier, Harvey and Usui, 2008). However, while selecting collaboration partners they should consider business schools in developed, developing and African countries (Obamba and Mwema, 2009) in order to position themselves in multi-polar world. This approach has potential to facilitate understanding of students about different environments and their dynamics in the context of globalization (a need indicated by Tefe, 2009). This initiative may contribute to the competitiveness of country by ensuring quality of managers and leaders coming out of business schools.
- Learning from experiences and mistakes of management schools in the other part of world (Napier, Harvey and Usui, 2008). For example:
 - (a) Incorporation of practical knowledge and experiences of management students with theoretical aspects in developing and teaching various courses keeps business school relevant (Gosling and Mintzberg, 2004). Application of this suggestion will help in joining the corporate and schools together in inculcating necessary skills in management graduates.
 - (b) Incorporation of sensitivity towards cultural issues (Cant, 2004) and courses on the development of non technical soft skills which are mostly related with interpersonal management, communication and personality related matters (Mitchell, Skinner and White, 2010) can help in addressing multi-cultural South African business environment.
- Moreover, business schools may work together on creating knowledge base for business case studies (Burke and Rau, 2010) which covers African context. In this manner, South African and African business practices can be documented and used further.



- May be on a small scale, but by creating strong focus on entrepreneurial education (Kabongo and Okpara, 2009; Adcroft, Willis and Dhaliwal, 2004) business schools can contribute in addressing the issue of unemployment.
- Using technology to reach to wider student and faculty population can also be a useful strategy to build advantage (Hawawini, 2005). In South African context, this strategy can be very relevant considering the scenario of skill shortage.
- To promote social welfare, besides including CSR as part of curriculum of management education, business schools can collaborate with government, businesses and NGOs in such endeavours (Skinner and Mersham, 2008). Over a period of time such initiatives can build a strong platform to address many developmental issues.
- Business schools can contribute by promoting innovations by collaborating with businesses (Twalo, 2010). It will be better if small and medium scale businesses are selected as partners. This also can add to the competitiveness of the country.
- The need of promoting responsible leadership through management education was many a time echoed in current management literature (Lorange, 2005; Birnik and Billsberry, 2008). Developing courses which can incorporate issues around this need also can add value to the development of human capital.

It is important to mention that the nature of this subject is very vast. These discussions are just a few possible ways, which are discussed to stimulate reflective thinking and proactive actions among management schools towards a long journey towards contributions in the economic and social development of the country and the continent both.

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