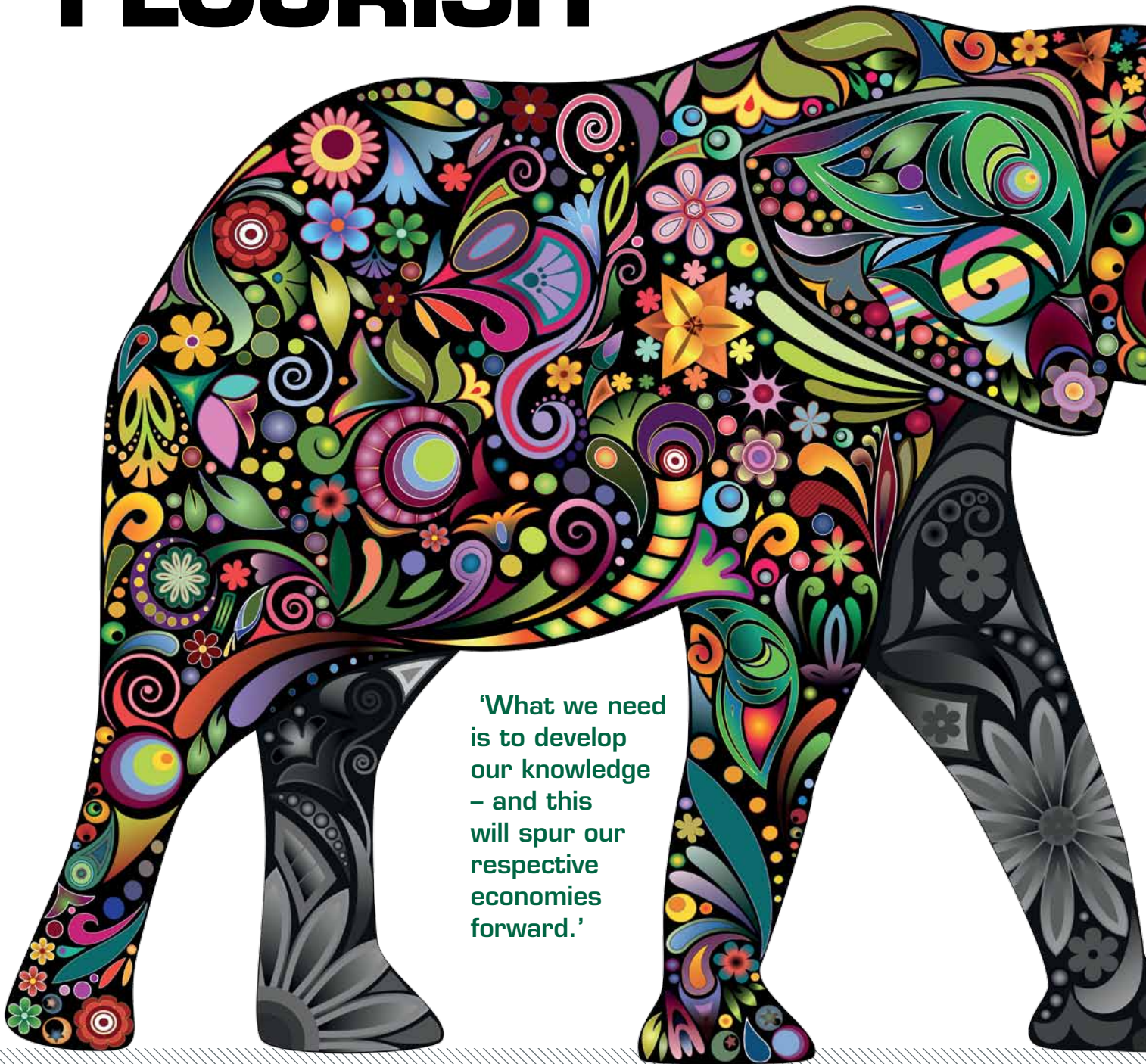


GETTING AFRICA TO FLOURISH



'What we need is to develop our knowledge – and this will spur our respective economies forward.'

Africa has vast resources, but the continent's economy struggles to prosper. Is this because of a lack of knowledge, leadership and management skills? Cherice Smith speaks to African business experts about the causes of the continent's challenges.



Africa has almost 60% of the world's uncultivated arable land and a large share of its natural resources, according to the McKinsey Global Institute. With all this tillable land and low crop yields, Africa is ripe for a green revolution akin to the ones that have transformed agriculture in Brazil and Asia, says Prof André Roux, Professor of Economics at the University of Stellenbosch Business School (USB) and Director of the Institute for Futures Research.

"A continuation of current trends could see Africa's gross domestic product (GDP) rising from \$1.6 trillion in 2008 to \$2.6 trillion in 2020, with combined consumer spending rising by 63% over the same period. However, a number of questions and issues arise when considering the ability of Africa to consolidate and broaden the improvements witnessed so far this decade."

These include governance and capacity building, says Prof Roux. "Governance and capacity building – investing in capacity building, increasing accountability and transparency, eradicating endemic corruption, strengthening information systems – and peace and security are crucial for sustainable development."

Alex Matheri, marketing and communications consultant in Kenya and USB representative in East Africa, says Africa cannot turn its vast resources into prosperity, primarily because of conflict, poor infrastructure and mismanagement.

"Take the example of Kenya where every couple of years there are acute food shortage strikes – often leading to starvation and even famine. Yet, the country has recently signed an agreement with Qatar leasing 40 000 acres of land on which to grow fruits and vegetables for consumption back in Qatar. This tells us

that there are vast parcels of land in Kenya but the population is hungry because the government has been slow to adopt modern farming technology that increases yield. Another factor is poor infrastructure in terms of the road-rail network and the impact this has on getting the products into the market. Poor planning means that sometimes the ports of exit are thousands of kilometres away from the production lines. Conflict is another huge factor, especially in regions with a myriad of resources. The conflict is more often than not fuelled by foreign interests keen on reaping huge benefits in an environment where lawlessness and mayhem reign."

Dr Elton Black, CEO of Renaissance Health Medical Aid Fund in Namibia, MBA alumnus and chairperson of the USB Alumni Association in Namibia, says GDP growth enablers need to be in place. "These include establishing leadership and good governance as well as capable administration; fully exploiting the world economy by importing knowledge and exporting global demand; establishing macro-economic stability and establishing a future orientation as well as high investment saving."

Says Prof Roux: "The real avenues for building a more prosperous society are better education, innovation, entrepreneurship and rule of law."

Matheri is of the opinion that people, material and knowledge are essential ingredients for the continent to prosper. "All three factors are very important and where one is derelict, development becomes a challenge. We are endowed with a literate and well-educated young population in Africa, and we have vast resources. What we need is to develop our knowledge – and this will spur our respective economies forward."

According to an African Management >

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Initiative report, Africa's existing management development ecosystem is patchy at best. It says Africa has roughly 90 business schools offering an MBA – one 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, it says.

The report also states that organisations 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."

Jim Linskey, general manager: Africa at USB Executive Development (USB-ED), says management skills are critical for African leaders and managers to create value and to be of value to the continent. "Many organisations, and this is not unique to Africa, promote people into management positions from technical or operational positions with absolutely no training whatsoever. Companies are also reluctant to spend money on leadership and management training, especially quality training, due to the costs involved. However, from my experience this is starting to change. Even within the public sector there is a growing appetite for management and leadership development and from a USB-ED perspective we have made huge inroads within the Southern African Development Community. One of the challenges, especially at executive level, is to ensure that leaders are exposed to like-minded thinking across

all of Africa and not just within their own countries and regions."

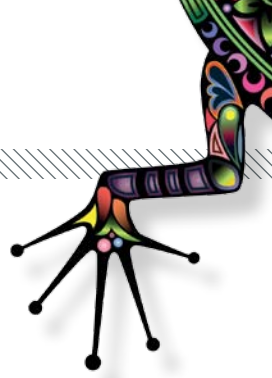
Matheri thinks the emphasis should be on qualifications that drive competence. "As a continent we need to equip our managers with skills that are relevant to our continent and model our curricula around these skills. We need to have managers whose visionary skills are well-honed and leaders that encourage and nurture talent which, in turn, drives innovation. We also need to feel secure under the leadership of managers who are able to hold their own against their peers from the West."

He says managers can strengthen the quality of the decisions they make by developing a pool of knowledge from which they can draw when making decisions.

"Regardless of industry or country, African managers have to be aware of the difference between knowledge and education – and whatever they do, they have to proactively be in pursuit of the former. We have killed innovation in our education systems, research has been eliminated and projects are just another unit in our business schools. Yet, these are the tools that help keep us on our feet to become critical thinkers and develop home-grown solutions to our problems. To get our managers thinking critically again, we need to help them become better researchers, accomplished project managers and outstanding innovators."

Linskey says African managers, particularly the younger generation, are starting to exhibit pockets of excellence in terms of alternative thinking and innovation.

"However, there are challenges with the older generations who resist change and focus on the old ways of doing things. My feeling is that if Africa continues to open up, collaboration continues to manifest itself and the younger generation becomes more entrenched in managerial roles, the changes will take effect at a much more rapid pace."






According to Linskey, Africa has far too many 'fly by night' training institutions and not enough good, solid institutions. "It is critical that training institutions possess the right skills to deliver training and this is a major challenge in many of the African countries. Far too many institutions lack qualified trainers but unfortunately still get used due to the fact they are cost-effective. This is a challenge to overcome but one way to start improving the quality of institutions is through collaborative or partnership models."

Another challenge is that some Africans choose European and American business schools and institutions instead of African ones. Reasons for this include personal choice, career aspiration and also interest.

Tope Toogun, managing director of Accelerated Learning Systems Limited in Nigeria and USB representative in West Africa, says some Africans use foreign qualifications to seek immigration rights or employment opportunities in Europe.

"Others are working in Africa for European or American multinationals. Degrees from the company's home country may give the person an added advantage and, at times, employers show preferences. An example is Total, a major French oil company, which recently launched a scholarship scheme in Nigeria for graduates to do post-graduate studies at universities in France."

So how do we overcome these kinds of challenges?

Toogun concludes: "We should position African business schools to be the preferred choices of Africa-focused companies and individuals whose career aspirations are in Africa or whose jobs demand a deeper understanding of the African terrain. If we blend global best practice with deep knowledge and understanding of Africa, we will attract a specific kind of student whose career requires both." 

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COMMENT

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How can we bridge the learning divide between Africa and Europe?

Jim Linskey: "The best way is through networking, blended learning models, collaborative academic project teams and technology."

Dr Elton Black: "The emphasis should be on improving universities' distinctive capability to establish critical and diagnostic cognitive skills in its students. This may require increasing the universities' complement of international academic staff."

Tope Toogun: "Africa should continue to develop at its own pace and tilt learning to suit its own purpose. Technology is allowing us to leapfrog, so the 'learning divide' may not really be a key issue. An example is Kenya that pioneered mobile money transfer (M-Pesa) years before it reached the Western economies. We should focus on finding solutions to peculiar challenges and tilt learning in that direction – and not play 'catch-up' with Europe."

What prevents young people from studying and staying in Africa?

Jim Linskey: "A major challenge for people from Africa is getting high-quality education – both in terms of facilities and the quality of the teaching or facilitation. The number of young Africans being sent overseas is growing fast as the African middle to upper class grows and overseas education is coming within their reach. The challenge is to encourage them to return to their home countries and to use their skills and knowledge locally. This is exasperated by the earning power in Africa versus overseas and the types of jobs available to make it worth their while to come back."

Tope Toogun: "Globalisation. It's a positive development to have young people go to study and live or work in different parts of the world. At some point, Africa benefits from their exposure and skills. For some African countries, the remittances from diaspora citizens are the largest source of foreign exchange. Decisions on where to study are essentially based on interest, access and affordability. I'm not certain we can do anything to make people decide to study within Africa unless there is a particular interest in or reason for doing so."