

Association of African
Business Schools



Association of African Business Schools
Report of activities to June 2008

CHAIRMAN'S NOTE:

The Association of African Business Schools (AABS) was established in October 2005 with the objective of improving the capacity of business schools in Africa to deliver high quality management education. The association was initially supported by the International Finance Corporation (IFC) through the Global Business Schools Network program. Over the past two and a half years AABS has grown from a humble start into an organization that brings together 17 of the best business schools in Africa. As detailed later in this report, the association has managed to implement numerous projects for member schools, established governance structures for effective management, and gained recognition as the preeminent membership organization for management education institutions in Africa.

Conditions in African countries are quite conducive for economic take-off but good and effective management remains the missing link. AABS commits itself to continue encouraging and, where possible, facilitating and enabling business schools in Africa to take a leading role in developing African economies. This will be done by setting standards for business schools to produce graduates who will be internationally competitive, who will be problem solvers and who will be responsive to the managerial and economic problems facing our continent. The role that Business Schools can play should not be underestimated and we will strive to make them even more visible in Africa and elsewhere in the world.

Most of the visions and long term plans of African countries articulate that private sectors will be on the driving seat of the African economies. This will however remain rhetoric unless this articulation is translated into strategies that empower management education institutions to produce high quality managers who will steer these economies. AABS will therefore embark on an aggressive awareness campaign of making universities, governments and other stake holders appreciate the central role that business schools should play in the development process. Amongst other things, AABS will:

- Devote its efforts in strengthening business schools in Africa.
- Continue raising standards for its member and prospective member schools for them to be able to produce better quality managers;
- Facilitate national and international networking amongst business schools, as well as between business Schools and industry;
- Encourage business schools in Africa to continue learning from and emulating strong business schools leadership in the world;
- Encourage dialogue and mutual working relations between governments, business sectors and business schools; Build strong links with Africans in the diaspora and with all other well wishers in the development of Africa.

On behalf of the Governing Board and the members of AABS, I would like to acknowledge the great effort and dedication that Prof. Nick Binedell, the Director of GIBS and AABS founding Chairperson, has put into making this association a success. Prof. Binedell has graciously agreed to continue serving on the board until June 2008, and to remain available for consultation after that. The Gordon Institute of Business Studies (GIBS), which has previously provided AABS with an administrative home, has kindly agreed to continue to house the AABS secretariat.

At the same time, I'm pleased to announce that Ms Sarah Tinsley has joined the secretariat as the AABS Program Manager. Sarah has had lots of experience in similar roles in South Africa and has worked closely with AABS since inception. Her appointment is an important step towards strengthening AABS management and administrative structures.

I believe that AABS is well positioned to make a major contribution to the development of Africa and I look forward to the challenge of leading the AABS board in the coming years.

Erasmus Kaijage
AABS Chair

1. MEMBERSHIP

As at April 2008 membership of AABS stood at 17 members drawn from seven countries:

1. Gordon Institute of Business Science, South Africa
2. Ghana Institute of Management and Public Administration, Ghana
3. Institut Africain de Management, Senegal
4. Insitut Supérieur de Management, Senegal
5. Lagos Business School, Nigeria
6. Obafemi Awolowo University, Nigeria.
7. University of Cape Town, Graduate School of Business, South Africa
8. Unisa Graduate School of Business Leaders, South Africa
9. University of Dar es Salaam Faculty of Commerce and Management, Tanzania
10. University of Nairobi School of Business, Kenya
11. University of Stellenbosch Business School, South Africa
12. United States International University, Kenya
13. Catholic University of East Africa, Kenya
14. Turfloop Graduate School of leadership, South Africa
15. Strathmore Business School, Kenya*
16. University of Botswana, Botswana*
17. Wits Business School, South Africa*

* Strathmore Business School, the University of Botswana, and the Wits Business School joined AABS during 2007.

UPDATED MEMBERSHIP CRITERIA

As part of the process of that AABS member schools are at the forefront of raising the standards of management education in Africa, in 2008 the Governing Board approved the following revisions to the membership criteria for the organization:

1. Staff should have a relevant postgraduate degree or relevant qualification
2. Members should have a minimum of 12 full time faculty, of which 6 have a PhD
3. Demonstrated sustainable staff development: members will need to provide a document stating what they are doing to develop their faculty
4. MBA teaching hours will be increased from 400 – 500 hours. 25% increase
5. MBA Minimum fee to be increased to \$3 000
6. 40 teaching days of executive education with a minimum fee of \$100 per day
7. Refereed journal article: 1 article per full time faculty equivalent over 3 years
8. Teaching methods: Schools will need a document describing their use of Participative learning such as case studies, syndicate groups, action learning, projects
9. Demonstrate that materials and cases include local and African market content
10. Quality Assurance: demonstrate use of an independent quality assurance system on the MBA program e.g. national accreditation body, external examiners, quality controlling body, etc.
11. For continued membership all new members must register on the AABS website.

New applicants for membership will be required to meet the revised criteria while existing members have until December 2009 to show that they are in compliance.

Meetings of AABS member schools are convened at least once a year and have previously been held at:

- Lagos Business School, Lagos, Nigeria on 13 May 2006
- Gordon Institute of Business Science, Johannesburg, South Africa on 19 May 2007.
- United States International University, Nairobi, Kenya on 17 May 2008

2. GOVERNANCE

From inception to September 2007, AABS activities were administered by the Gordon Institute of Business Studies (GIBS). In September 2007, the organization was formally registered by the government of South Africa as Not for Profit Organization (058 719 NPO). Registration for Public Benefit Organisation (PBO) status is also underway, which would enable organizations that provide funding to AABS to receive tax benefits for their contributions.

Overall oversight of the activities of the organization is vested in the Governing Board elected from among member schools. The board has delegated the day to day management activities to an AABS Secretariat based at GIBS in Johannesburg. The secretariat is led by a Programme Manager (Sarah Tinsley) supported by an Operations team (Jonathan Cook and Sam Nganga). Members of the board during the reporting period have been:

Prof Erasmus Kaijage (Chairperson 2008)

School of Finance and Banking, Rwanda

Prof Nick Binedell (Past Chair 2006/7)

Gordon Institute Business Science (GIBS), South Africa

Mr Idrissa Mbengue

Institut Supérieur de Management (ISM), Senegal

Prof Franklyn Manu,

GIMPA Business School, Ghana

Mr George Njenga

Strathmore Business School, Kenya

Mr Frank Horwitz

University of Cape Town Graduate School of Business, South Africa

Mr Juan Elegido

Director, Lagos Business School, Nigeria

Prof Nick Binedell served as the first Chair of the Governing Board until December 2007 when he was replaced by Prof Erasmus Kaijage with effect from January 2008. Prof Binedell will continue to serve on the board as a member until June 2008 when he will retire. Mr Frank Horwitz and Mr Juan Elegido joined the board in January 2008.

The Governing Board is required to meet at least twice a year to consider ongoing and future activities of the organization. Since the inception of AABS in Lagos on 13 October 2005, the board has met on the following occasions:

- 13 October 2005 (Lagos, Nigeria)
- 25 March 2006 (GIBS, South Africa)
- 13 May 2006 (Lagos Nigeria)
- 14 October 2006 (Nairobi, Kenya)
- 5 March 2007 (Conference Call)
- 28 April 2007 (Ad Hoc Meeting at INSEAD)
- 18 May 2007 (Johannesburg, South Africa)
- 17 August 2007 (GIMPA, Ghana)
- 23 February 2008 (University of Cape Town, South Africa)
- 16 May 2008 (Strathmore Business School, Kenya)



3. PROGRAM ACTIVITIES

To achieve the AABS mission of improving the quality of management education, AABS works with a range of partners to support member schools with faculty training, development of teaching materials, training of program managers and administrators as well as other capacity building programs. Program activities implemented to-date include:

- **The Teaching the Practice of Management (TPM)**, a faculty training program conducted annually in collaboration with faculty trainers from Harvard Business School, Columbia University, IESE, Indian Institute of Management, GIBS Business School, and other leading business schools around the world.

By June 2008, this program had conducted four sessions (two sessions at GIBS in South Africa, one session at the Lagos Business School in Nigeria, one session at United States International University in Kenya) and trained approximately 263 faculty members from 35 business schools across Africa. The 2009 TPM session is scheduled for mid June at the Ghana Institute of Management and Public Administration, Accra, Ghana.

- **Deans Workshops** aimed at providing the deans of member schools with training on business school management, governance, quality assurance, and international accreditation. On May 20, 2007, AABS deans and directors attended a workshop on “Best Practice for Business Schools” led by Michael Hay from the London Business School.
- **Learning visits** to leading business schools in Europe and the United States as a means of providing the deans, managers and faculty at members schools with an opportunity to learn from the experience and lessons of top-ranked institutions.

In February 2007, eight deans from AABS member schools visited the London Business School, the Oxford University Said Business School, HEC, INSEAD, Harvard Business School, Columbia University Business School, New York University as well as the Association of MBAs (AMBA), EFMD, AACSB, the Aspen Institute, AAI, and IIE. Participants included:

Gerald Atheru

Catholic University of Eastern Africa, School of Business, Kenya

Marcellina Chijoriga

University of Dar ES Salaam, Tanzania

Jonathan Cook

Gordon Institute of Business Science, South Africa

Juan Elegido

Lagos Business School, Nigeria

Mamadou Gaye

The African Institute of Management, Senegal

John Kenduiwo

School of Business, University of Nairobi, Kenya

Idrissa Mbengue

Institut Supérieur de Management, Senegal

Lanre Nassar

Obafemi Awolowo Universtiy, Ile – Lfe, Nigeria

Sarah Tinsley

Association of African Business School, South Africa

Mike Ward

University of Pretoria, South Africa



In February 2008, 12 MBA directors from member schools in Tanzania, South Africa, Kenya, and Nigeria participated in an MBA Directors’ Visit to European business schools where they visited the London Business School, IESE, ESADE, the Maastricht School of Management, and the Warsaw School of Economics. Participants included:

Lance Stringer

University of Cape Town Graduate school of Business, South Africa

Abel Kinoti

Catholic University of East Africa, Kenya

Lanre Nassar

Obafemi Awolowo, Nigeria

Muthayoba Baisi

University of Dar es Salaam Faculty of commerce and management, Tanzania

Tayo Fagbule

Lagos Business School, Nigeria

Josiah Cobbah

Ghana institute of management and public administration, Ghana

Waithaki Iraki

University of Nairobi, Kenya

Shireen Chengadu

Gordon Institute of Business Science, South Africa

Edward Gacheru

Strathmore University, Kenya

Sam Nganga

International Finance Corporation, Kenya

Jonathan Cook

Gordon Institute of Business Science, South Africa

Sarah Tinsley

Association of African Business Schools, South Africa



- **Representation of African business schools** at international management education forums, which provides AABS and member schools with the opportunity to build networks with other similar organizations in other regions. Since inception, AABS has had representation at the EFMD meeting in Barcelona in Feb 2007 (Prof. Nick Binedell), the GBSN meeting at INSEAD on 27/28 April 2007 (various board members), and at the EFMD Annual Conference in Brussels in June 2007 (Prof. Erasmus Kaijage).

In February 2008, the board also approved the signing of a formal partnership agreement with the Management and Education Research Consortium (MERC), a US-based non-profit that has been established to run the Global Business School network and provide opportunities for African Business Schools to partner with business schools in Europe, the United States etc.

- AABS also seeks to encourage the **development and sharing of locally relevant case studies and other teaching materials** for participant-led learning. As part of this endeavor the board has approved a Case Study competition where faculty members from member schools submit locally-developed case studies to a committee selected by the board. The AABS website also has a provision for members to submit case studies that they would like to make available (for free or at a fee) to other organizations.
- At the Board meeting in May 2007 the board identified three new projects that AABS would like to introduce in 2009 including: **a benchmark for management education in Africa, a faculty training program focusing on research in the practice of management in an African context (RPM), as well as a training course for program managers at business schools.**

4. FINANCES

AABS activities and administrative expenses are supported by income from annual membership fees, donor grants, as well as payments by participants in program activities like TPM and learning visits. The AABS secretariat in Johannesburg is responsible for ongoing financial management under the oversight of the Governing Board and is required to present audited financial statements at December 31 of each year. Extracts of the 2006/2007 audited accounts are presented below. As at December 2007, the organization had assets valued at US\$142,089, including US \$137,117 in cash. With additional grant commitments for \$125,000 from the IFC and projected cash receipts from members, the organization is in a solid financial footing and has sufficient resources to implement planned activities in 2008/2009. The AABS board is now focused on securing long-term funding to supplement and eventually replace funding from the IFC which is expected to end in 2008.

THE ASSOCIATION OF AFRICAN BUSINESS SCHOOLS - AABS BALANCE SHEET AS AT 31 DECEMBER 2007

		2007	2006
		\$	\$
ASSETS	NOTES		
CURRENT ASSETS		142,089	156,365
Cash and cash equivalents	2	137,117	158,365
Accounts receivable	3	4,972	
TOTAL ASSETS		142,089	156,365
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Accumulated funds		111,345	146,026
CURRENT LIABILITIES		30,744	10,339
Trade and other payables	4	17,808	6,937
Accruals	5	12,936	3,402
TOTAL EQUITY AND LIABILITIES		142,089	156,365

THE ASSOCIATION OF AFRICAN BUSINESS SCHOOLS - AABS INCOME STATEMENT FOR YEAR ENDING AS AT 31 DECEMBER 2007

		2007	2006
		\$	\$
ASSETS	NOTES		
Gross revenue		63,282	168,000
Operating costs		(98,091)	(22,014)
Operating surplus	6	(34,809)	145,986
Net finance income	8	128	40
NET (DEFICIT)/SURPLUS FOR THE YEAR		(34,681)	146,026

THE ASSOCIATION OF AFRICAN BUSINESS SCHOOLS - AABS CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007	2006
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts		58,310	168,000
Cash paid to suppliers		(77,686)	(11,675)
Cash generated from operations	7	(19,376)	156,325
Interest received		128	40
Net cash from operating activities		(19,248)	156,365
INCREASE IN CASH AND CASH EQUIVALENTS		(19,248)	156,365
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		156,365	-
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		137,117	156,365

