Sherif Kamel looks at the challenges and opportunities in the MENA region and argues that investing in human capital is fundamental to socioeconomic development and growth.

Managing after the Arab Spring

In the wake of economic challenges induced by recent political instability, management education programmes in the Middle East and North Africa (MENA) region face unprecedented challenges and opportunities to influence the next generation of revolutionary business leaders and entrepreneurs.

Today, more than ever before, business schools “should build on their role in producing and promoting the next generation of innovative and creative private-sector leaders and agents of change focused on business and socioeconomic development and growth,” as Dr Lisa Anderson, President of the American University in Cairo (AUC), has observed.

Over recent decades, oil-economics, political interests and international investment have contributed to the rise in prestige of management education programmes across the MENA region. The benefits of global partnerships are myriad: more diversity through international student exchange programmes, access to better research funding and grants, the spread of accredited programmes, and higher-profile faculty and alumni networks.

Now, as several of the regional economies face unexpected uncertainty, these academic institutions must utilise their resources to prepare for the critical next phases: stabilising for some and reorienting agendas to address the pressing socioeconomic and business needs for all.

The issues listed below comprise the challenges management education programmes will face, both in the short-term – recruitment and resources – and potentially in the long-term – reputation and relevance – as well as the ingredients necessary for successfully capitalising on the potential opportunities in the future.
Managing after the Arab Spring by Sherif Kamel

Potential challenges

Recruitment
Recruitment is a big obstacle immediately facing management education in the MENA region, particularly in countries more affected by the recent political turmoil. Any turbulence hinders the process of recruiting not only qualified international faculty but also international students – both necessary for a diverse learning experience. As such, leading regional business schools will increasingly compete for top faculty and students.

Business schools in the MENA region are here to position tomorrow’s leaders. For Egypt, a country already catering to a large pool of local talent, pre-existing recruitment challenges coupled with the current regional uncertainty might contribute to further isolation – confining the student body and limiting the breadth of faculty backgrounds.

Resources
Regional economies, particularly in Egypt, shrank almost immediately following the regional uprisings that began in January 2011. Consequentially, budget constrictions have forced reallocation of resources, suspended hiring processes, driven up the costs of matriculation and relegated some projects to the back burner – with no ultimate reprieve in sight.

Reputation
Institutional reputation is paramount for the success of management education programmes and their graduates worldwide. Faculty, students, alumni, research and patrons collectively comprise an institution’s character and are representatives of its standing. Regional programmes’ reputations have benefited in the past from increased exposure.

However, as regional governmental transformations run their course over the next few years, it remains to be seen how the political and economic uncertainty might create challenges for MENA management institutions to maintain steady reputations.

Relevance
MENA region business programmes will increasingly face demand for focused and usable research, curricula, outreach and executive education programmes.

In Egypt, as the government and courts attempt to purge ministries of corruption, the onus is on management programmes to initiate relevant research, teaching and
extracurricular agendas – or risk becoming irrelevant in a rapidly changing business and socioeconomic landscape.

Business ethics, transparency, innovation, human development, sustainability, entrepreneurship and leadership must immediately be integrated into classroom curricula. And extracurricular activities must engage students and faculty with the community, local business and industry. Relevant engagement is crucial in the long-term process of nation building to disseminate values such as collaboration and citizenship.

Ingredients for success
At the same time, the events of 2011 have indirectly opened doors for MENA management education programmes to realise distinctive international profiles. Success in this endeavour is contingent on three ingredients: a focused mission, relevant course content and development, and high-quality intellectual knowledge production. Once appropriately equipped, the opportunities to influence the post-uprising MENA region abound.

Mission-driven
Most traditional management education models myopically overemphasise profit generation at the expense of a sustainable bundle of economic, social and environmental values. The current flux that the region is experiencing renders such models “obsolete”. AUC School of Business’s mission promotes fostering “principled and innovative business leaders who can make a difference”. This vision is embedded in teaching, research and extracurricular activities, which are carefully designed to yield responsible business behaviour that positively impacts the community. To reinforce this commitment and to emphasise promoting social wellness, the school became one of the signatories to the Principles for Responsible Management Education (PRME) and hosting PRME MENA region forum 2-3 October 2011.

Regional focus
In the coming years, MENA institutions will need to play an active role in educating and consulting with new government and business leaders; as such, management schools must become better at integrating facets of public and private sector leadership into educational and research practices.

Yet using models and cases from Europe or America will not suffice in addressing the specific short- and long-term challenges the region faces. MENA leaders of tomorrow should think and move beyond the conventional boundaries of business.

With this in mind, AUC School of Business founded the El-Khazindar Business Research and Case Center in 2008 to develop case studies relevant to the region. Locally sourced knowledge is the future of regional management education and is fundamental for asserting leadership on the competitive global stage.

Knowledge hubs
Management research institutions must produce knowledge to achieve successful growth and development. Mirroring the popular efforts in Egypt for an emancipated political identity, management education programmes – particularly in MENA countries with diverse economies – must capitalise on local insight in order to maintain sovereignty over the international decisions that affect the region.

Furthermore, endorsing proper management education that embraces the spreading influence of information and communication technology pays immediate dividends; principally, it demonstrates the potential for a better future led by young leaders with more engaged and empowered roles in societal transformation.

Management education programmes have a responsibility to work for the democratisation of information within the MENA region, so promoting the ability to access and contribute to a collective body of knowledge. To this end, AUC School of Business established the Access to Knowledge for Development Center (A2K4D) in response to demands for participatory human expression. Areas of focus include intellectual property rights and academic scholarship on the economic, legal, political and social issues confronting access to knowledge in Egypt and the Arab World.
Managing after the Arab Spring by Sherif Kamel

“Regional youths’ intellectual capacities and ceaseless ability to innovate are the oil of the 21st century – enterprising youth represent the future of a democratic and a diversified MENA socioeconomic landscape.”

Potential opportunities
AUC School of Business identifies entrepreneurship, innovation, leadership and partnerships – both in-country and across boundaries – as offering great possibilities for the future of management education in Egypt and across the MENA region.

Entrepreneurship
Entrepreneurial education is a primary building block for business schools seeking to identify potential entrepreneurs and to broaden start-up cultures.

Yet, until recently, there were few such programmes in the MENA region, a situation that motivated AUC School of Business to launch its Entrepreneurship and Innovation Programme (EIP) in 2010. EIP’s philosophy shifts the emphasis from “entrepreneurship the discipline” to “entrepreneurial thought and action,” focusing on elements that provide students with a well-rounded marketplace advantage, regardless of their career choice. EIP supports the creation of an entrepreneurial educational ecosystem that can help accelerate the growth of start-ups where there is never a shortage of innovative ideas. And it educates students to be employees of choice or self-employable; connects students with venture capitalists, angel investors, and mentors and others and is accelerating the growth of hundreds of entrepreneurial companies. EIP efforts are bolstered by a campus-wide student-led Entrepreneurs’ Society (ES).

Innovation
In Egypt, the large youth population – more global- and internet-savvy than their predecessors – demand transparency, employment and economic opportunities. The impact of these popular movements will be students who not only expect, but demand, programmes that speak to their specific skills and socioeconomic goals. MENA management education programmes must, in turn, respond with innovative curricula and research centres that capitalise on steadily improving regional technological capacities and applications. Speaking at AUC this spring, Wael Fakharany, Google’s MENA regional manager, talked about the great potential of e-commerce for enterprising Egyptians in this post-uprising era. Thus course design, teaching methods, faculty training, extracurricular programmes and executive education must constantly innovate symbiotically to maintain relevance and induce new opportunities.

Leadership
The success of political change in the MENA region is conditional; it requires an availability of qualified and ethically responsible leaders in the public and private sectors. Business schools must thus concentrate on developing a new cadre of entrepreneurial leaders – ones capable of filling critical positions in local business, government and industry and able to successfully manage and compete in a global market.

Partnership
Another key avenue for opportunity in the future will be through strengthening local and international partnerships.

AUC, for instance, uses partnerships to foster its mission and vision. The school partnered with TechWadi, a Silicon Valley-based non-profit, to establish a business incubator that serves as a regional centre for entrepreneurial education, mentorship, idea generation and development. A partnership with Egyptian venture capital firm Sawari Ventures created the Flat6Labs, which offer promising entrepreneurs access to faculty mentors and facilities.

Moving forward
In the face of immense changes, MENA management education programmes are embarking on an era of vast uncertainty but also immense possibility if the region possesses an ability to anticipate how to move forward.

Societal growth, development and global competitiveness will depend on business schools’ abilities to efficiently and effectively invest in human capital and to facilitate creativity and innovation within an entrepreneurial climate.

One thing is abundantly clear: regional youths’ intellectual capacities and ceaseless ability to innovate are the oil of the 21st century – enterprising youth represent the future of a democratic Egypt and a diversified MENA socioeconomic landscape.

ABOUT THE AUTHOR
Dr Sherif Kamel is Founding Dean of the School of Business at the American University in Cairo.

He will chair the EFMD Conference in the MENA Region, 13-15 November 2011, Sheraton Casablanca Hotel & Towers, Casablanca, Morocco. For information please visit: www.efmd.org.