



Canadian International  
Development Agency

Agence canadienne de  
développement international

**CIDA INVESTMENTS IN CANADIAN ☐**  
**☐**  
**MANAGEMENT SCHOOLS/ORGANIZATIONS**  
**☐**  
**AND OVERSEAS MBA PROGRAMS**

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## **Summary**

### **CIDA INVESTMENTS IN CANADIAN MANAGEMENT SCHOOLS/ORGANIZATIONS AND OVERSEAS MBA PROGRAMS**

The Private Sector Development Review is a comprehensive performance review of CIDA investments in private sector development that involves many separate studies. This study forms part of the review by helping CIDA to gain an aggregate understanding of its management school programming at the graduate degree level, both within Canada and overseas. This is viewed as a way of helping CIDA increase its understanding of support for private sector development through Canadian universities, while also providing a window with which to view the general involvement of Canadian universities in CIDA programming. The review attempted to locate all projects initiated or completed over the past decade that involved graduate studies in management or support for networks of deans and management schools. The conceptual frameworks for analysis included CIDA's framework for results and key success factors and a framework that examined results at three levels: institutional, organizational, and individual. Data were generated through a document analysis and literature review, interviews across Canada and in developing countries, and electronic questionnaire surveys of Canadian deans and academics who had worked on CIDA projects in management education. The main limitations were gaps in data from CIDA project officers and a shortage of data from partners in developing countries.

The following summary has been structured around the major themes of the study. It outlines the general conclusions for each theme. A list of 61 specific findings are included in Appendix I of the report.

#### ***The Context of Management Education***

Management education as developed in North America has evolved, expanded and become more diverse in content and modes of program delivery. It has itself become a business with the US attempting to market the product and export it throughout the world. Its institutions have also evolved, so there are now associations linking business schools in all parts of the world, and international associations in both the United States and Europe attempting to accredit programs and control offerings and standards. However, the North American tradition is not universally endorsed, and there are many highly successful managers who have never attended business school and also whole cultures that have succeeded in business without graduate programs of this type.

## **Donor Context**

Given the hype and power surrounding MBA programs, it is not surprising that donors have supported their development in many countries. While the World Bank has largely given up on such approaches as being overly elitist and too hard to implement successfully, other donors such as the European Union, USAID and CIDA have moved forward, most recently in Eastern Europe. Their experience is beginning to show limitations in the initial thinking, and is generating important lessons for the future. The patterns of Asia and even Africa, for example, have not been generalizable to Eastern Europe as the enabling environment there has not supported donor assumptions about the nature of universities, or the need for radical reform totally divorced from government.

## **Canadian Management School Context**

Canada has greatly expanded the number and diversity of its MBA programs as well. Now, programs are offered in varied formats across provincial boundaries, and even in other countries such as Japan and China. Management schools have been successful at privatizing some programs and offer them in a highly profitable way. With CIDA's support, the Canadian management schools have become active in developing countries, largely to support their international missions or programs that require international dimensions, and for financial incentives that enable them to generate flexible resources that are seen as very important in an era of government austerity. At the same time, individual academics become involved for complex reasons, but mostly so they can learn and travel and for altruistic reasons.

## **CIDA Investment in Graduate Programs in Management**

CIDA became active in the 1980s through Management for Change, the China program that was opened up at the time, through the regional program in Southeast Asia, and more recently in Eastern Europe. In reviewing the investments since the mid-1980s, we see evidence of an implicit CIDA strategy. It involved exposing Canadian universities to build their international experience and linking them with more or less evenly matched partners in various parts of the world. The Canadian universities have developed their capabilities to implement projects in management, but the period from the mid-1980s to the early 1990s was turbulent for Canadian management schools with intense competition among the universities for projects. Various groupings emerged through which a core group of leading Canadian universities were involved in Asia with another group comprised mostly of smaller schools, often in consortia, implementing projects in Central and Eastern Europe. A small group of individual deans, able to make decisions for their schools, were the major force in expanding the influence of Canadian management schools around the world. However, CIDA's use of responsive programming has resulted in the agenda being set by the Canadian universities and their associations. As a consequence, programming has been concentrated in Asia and Central and Eastern Europe with little activity in Africa or the Americas.

Most projects adopted some sort of capacity development framework that involved support for both the school delivering management education and one or more programs within the management school, most typically an MBA, but sometimes undergraduate programs or doctorates. One general approach has been to involve Canadian faculty in teaching in the developing country, ideally with a counterpart, but frequently without. A second approach has involved training faculty from the developing country management school either in Canada or in their own country. Training was of two types: management (such as MBA, Ph.D., or internships in industry), and pedagogical through short courses and apprenticeships. As well, projects support some infrastructure and complementary programming such as linkages to the business community.

## **Results**

Despite the intentions of the proposed PSD policy, analysis of results in developing countries indicate little effort by CIDA to target the enabling environment, or institutional level in management education. Most projects have intended to strengthen universities or related organizations that support management education, and have done so through training, technical assistance and the provision of books and equipment. These efforts have almost universally imposed North American models and approaches with little consideration of indigenous realities. They have contributed to private sector development, however, largely through MBA program graduates working in business. The most evident result has been the internationalization of Canadian management faculties. Academic faculty have multiplied their international exposure, student bodies have been broadened to include significant numbers from outside Canada, and curricula have begun to include perspectives from other cultures. As well, these first order results have set the stage for successive generations of benefits. The most successful management schools have used their CIDA experience to position themselves for self-financing MBA programs, both overseas and in Canada, catering to students from developing countries able to afford

Schools have seized opportunities to engage in additional development work. There are also instances where universities, through their experience and prestige in a foreign country, have helped Canadian businesses to enter new markets and secure contracts. While there are significant differences in areas outside of management, these results are suggestive of trends that may apply to other areas of university partnerships as well. Given the lack of uniform data, the cost-effectiveness of results is difficult to ascertain, though one project that departs from the normal linkage model and sends volunteers is considered highly cost effective.

## **Performance Management of CIDA Investments**

Analysis of key success factors suggests some gaps between the ideals and the real situation. Projects intended to do similar things may lack consistent inputs, logic models or conceptualizations. CIDA's data do not permit valid comparisons across projects so there are few opportunities for performance benchmarking. The familiar capacity development linkage became the favoured approach with little variation by setting. It is a

challenging approach because capacity development means different things to different people. It has been difficult to plan projects with full understanding of the situation as there have been few thorough assessments of either the organization context or the project context. Many projects have had positive iterative management while in process, but this has sometimes led to tensions between the universities and CIDA because initial overly-ambitious objectives could not be achieved with the time and resources available. In general, project timeframes represent short term thinking and planning cycles rather than any deep understanding of what it takes to build sustainable organizations with a commitment to management education. Project budgets tended to relate as much to the availability of funds as any detailed assessment of funding requirements. The project experience also shows limited understanding of universities, their mission and how they work.

CIDA has not had the benefit of a coherent strategy for graduate programs in management. In its absence, the Agency has not been in a position to accumulate knowledge or corporate learning. To date, with the exception of the period in the late 1980s when there was an implicit strategy, the development has been largely project driven and particularistic. While projects have conformed to general policy frameworks they do not come together in a holistic vision for what the Agency wants to do. The review also suggests that project designs were often simplistic, they did not identify key assumptions, and the proposing universities lacked understanding of the realities of universities in the developing world. At the time of these projects, CIDA did not yet have effective mechanisms for management for results, though some projects were successfully managed.

## **Lessons Learned**

The review has generated many useful lessons. We have listed merely six at this stage:

- 1) Strong, symmetrical partnerships are important for capacity development projects through linkages, but they are only one approach to development of sustainable graduate programs in management.
- 2) Financially sustainable programs tend to develop clear strategies for sustainability early on.
- 3) The design of projects needs to consider the institutional context for graduate education in management.
- 4) Responsive contracting has many inherent risks for CIDA.
- 5) In the absence of thorough analysis of the capacity and performance of the university being targeted for development assistance, supply-side programming often takes over.
- 6) A lack of viable learning mechanisms within CIDA is creating significant obstacles to effective corporate management for results.

### ***Recommendations***

- 1) Through the PSD Review, CIDA should develop an overall sub-sector strategy for management education that specifies objectives, resource requirements, and implementation modalities that lead to sustainable support for effective management in the private sector in developing countries.
- 2) CIDA should explore means of managing the sub-sector strategy across programs to enhance management for results and learning within the Agency.
- 3) CIDA should invest in baseline assessments of the university units it is considering investing in so that projects can be relevant and appropriately designed for their context and real needs.
- 4) CIDA should explore alternatives to the responsive contracting approach that might help in management of risk
- 5) CIDA should consider reviewing other types of management education (such as short term training), and university education in other sectors to extend its knowledge of the generalizability of the conclusions of this review.
- 6) CIDA should get serious about learning systems that share the vast untapped knowledge within its people.