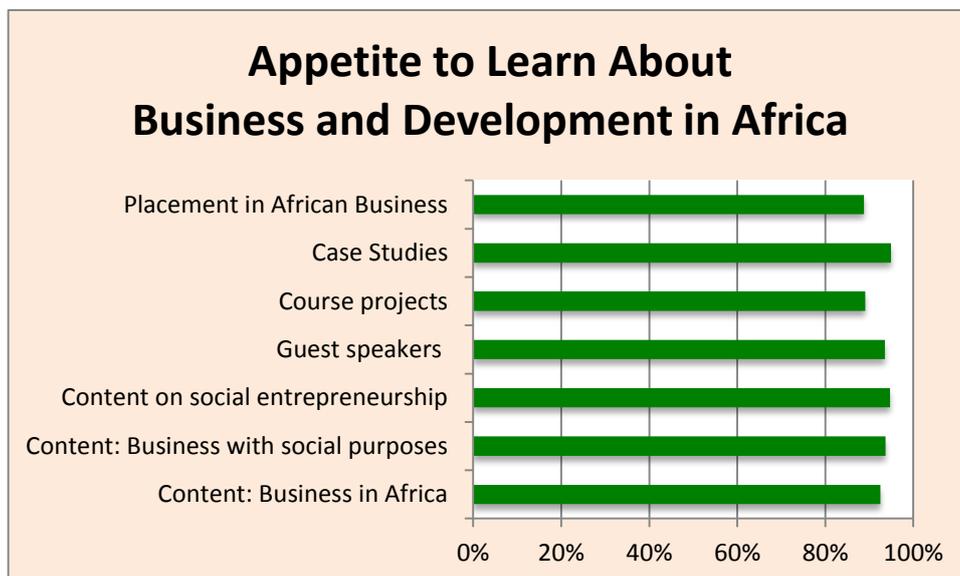




**KNOWLEDGE & ATTITUDES  
TO BUSINESS' ROLE IN DEVELOPMENT IN AFRICA:  
A BASELINE SURVEY  
OF 3<sup>RD</sup> LEVEL BUSINESS STUDENTS IN IRELAND**



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## Executive Summary

This report set out to measure business students' knowledge, understanding and attitudes to doing business with Africa and business' role in creating social change. It establishes a baseline against which student's attitudes can be measured in the future to identify changes resulting from education programmes.

**Levels of Knowledge:** The survey found very low levels of knowledge among business students of the business environment in Africa. When asked to self-assess their knowledge of the business environment in Africa, 58% of business students said their knowledge was 'poor' – only 10% of an improvement over non-business students. Business students feel only marginally more knowledgeable about business in Africa compared to non-business students.

Only 17% of business students were able to name one or more Irish companies who are currently doing business in Africa. This is despite the fact that it is a common methodology for business students to learn through case studies of successful businesses. When asked the question 11% of students named a charity rather than a business. The rate fell again when students were asked to name an Irish company engaged in manufacturing in Africa: 7% answered correctly.

**Sources of Knowledge:** College courses ranked as the fourth source of information through which business students learn about the business environment in Africa. The media, internet and charities, all ranked as more important sources than college for business students.

**Appetite for Learning:** Business students displayed a very high degree of appetite for learning about business in Africa (91%) and about business' role in creating positive social change (95%). From a list of learning methodologies students expressed levels of appetite in the 90s for course content, case studies, guest speakers, social entrepreneurship and models of business with a social purpose. Only course projects and placements with African companies came in at 85%. All of these levels of appetite were stronger than that of non-business students.

**Attitudes to Doing Business in Africa:** The greatest difference between business and non-business students emerged when they were asked what factors they would find attractive to doing business in Africa. Business students saw attractiveness factors of just one-third the rate of other students. This suggests that business students have far stronger resistance to doing business in Africa than the standard population.

Students were asked to rank the continents in terms of the potential they consider each has as a business destination. The African region ranked lowest among both business and non-business students. Except for Africa, business students ranked each of the emerging market regions more positively than their non-business counterparts. This would suggest that were business students to learn about Africa as an emerging market, then they might rank it more highly as a business destination.

**How to Bring Social Change:** Relative to factors such as education, human rights and political stability, business students ranked investment and trade lower as generators of positive social change, though they ranked these economic factors more highly than non-business students did.

Students were asked what benefits businesses bring to developing countries. By far the largest response given as a first answer was employment creation. This was more than double the rate of the next benefit, which was skills and capacity building. Relative to non-business students, business students displayed somewhat more complex understandings of social enterprise.

**The Role of Irish Business:** Almost half of students gave no answer when asked how Irish business can promote development in African countries. Of those who did respond, the most commonly cited ways were through investment and trade. Ten percent named non-commercial factors such as donations, charity and aid. Skills and knowledge transfer was next most seen as an option for Irish companies to support development in Africa.

**Action:** The survey asked a couple of questions seeking to ascertain student likelihood of action in relation to business in Africa. Firstly it asked how confident students are that good business can be done in Africa. The responses were strongly grouped into the middle of the scale with 70% of business students having medium levels of confidence. 23% expressed high levels of confidence. This figure contrasts with the low levels of attractiveness noted above, and on this question business students did not display notably different attitudes to non-business students.

Finally, students were asked how likely it was that they would be doing business in Africa or with Africa in ten years time. While 12% expressed high likelihood they would be doing so in ten years time, this was the question which received the strongest negative scoring. 30% of business students said it was very unlikely. On this point non-business students were even more unlikely to be doing business in Africa in ten years time.

**Survey Overall:** The survey found very low levels of knowledge of the business environment in Africa, and of Irish business involvement in Africa among Irish business students. However, there was a very strong level of appetite for learning on the theme expressed by business students. Business students displayed far lower levels of attractiveness to doing business in Africa relative to non-business students.

**Conclusion:** Based on this survey, there is no basis to expect that the next generation of business decision makers is poised to have a significantly more positive approach and be more engaged in doing business in Africa than previous generations. Changes in the course content and curriculum of business studies may offer opportunities to increase the prospect of socially beneficial business engagement by Irish companies with Africa, whether in African countries or while operating in Ireland.

## **1. Introduction**

Value Added in Africa (VAA) commissioned the market research company, Student Marketing Network (SMN), to carry out a survey on business students attitudes, knowledge and understanding of doing business with Africa. The survey was undertaken to give a baseline of business students' current knowledge of doing business in Africa; to gauge the level of demand among business students for development related business modules; and provide a measure against which the impact of such a module, once introduced, can be measured.

The survey was part of a wider feasibility study which aimed to learn how best to mainstream Development Education (DE) in business education in a manner which will strengthen the business courses. This feasibility process included three other key elements besides the survey:

- An advisory group with relevant experts and stakeholders, e.g. Irish academic from business schools and member of the NGO sector
- Structured consultations with a number of stakeholders, e.g. the Irish business community, Universities and Institutes of Technology (ITs) and NGOs and organisations who had previous development education mainstreaming experience.
- A series of pilot seminars in third level business schools.

## **2. Methodology**

VAA commissioned Student Marketing Network to carry out the survey. SMN is the leading Irish research company in the area of student focused market research. The survey questionnaire was designed by VAA with assistance from the marketing company, Brand Led Growth which is very familiar with the work of VAA. The questions sought to establish levels of:

- Knowledge and understanding of business in Africa and business' contribution to society
- Attitudes to doing business in Africa and business having a role in development
- Sources of knowledge and desire for further learning, and through what methods
- Intention of business students to take action involving business relations with Africa.

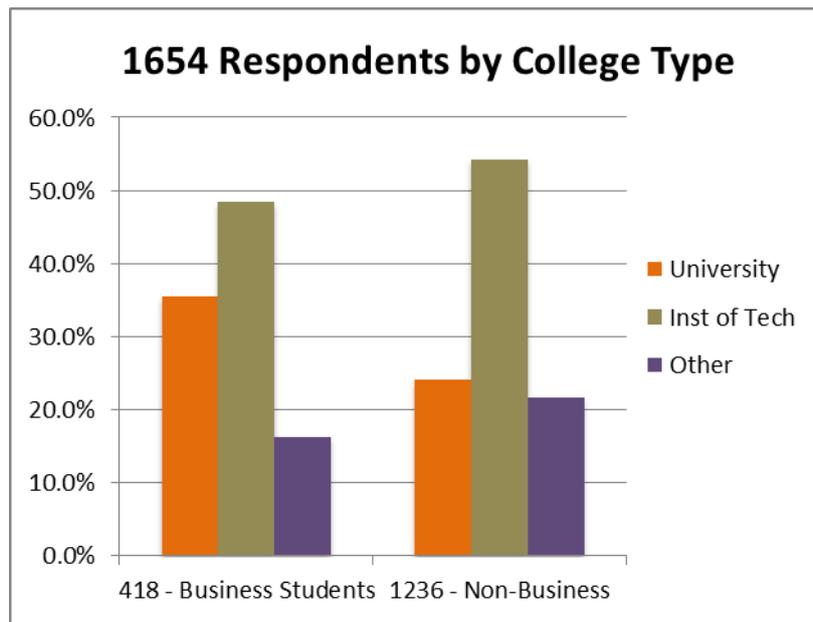
The survey included a combination of question formats – scoring on a scale of 1-10; ranking of set options; and open response questions.

Students both filled out the questionnaire online and SMN conducted face to face interviews. SMN offered entry to a draw as an incentive for students to participate, advertising the survey through a range of online and in-college locations.

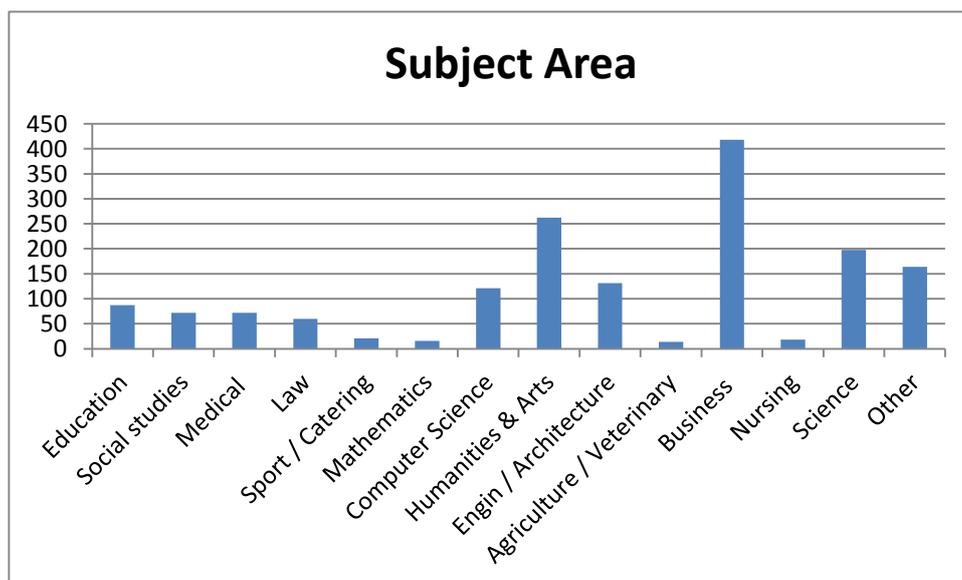
### **2.1 Profile Sample**

A sample size of 400 business student respondents was sought. SMN continued to target students until it had reached that threshold, and in the process had attracted 1654 total respondents of whom 418 were business students with an equal balance of male and female respondents. That 1236 cohort of non-business students providing a comparator for the responses of business students.

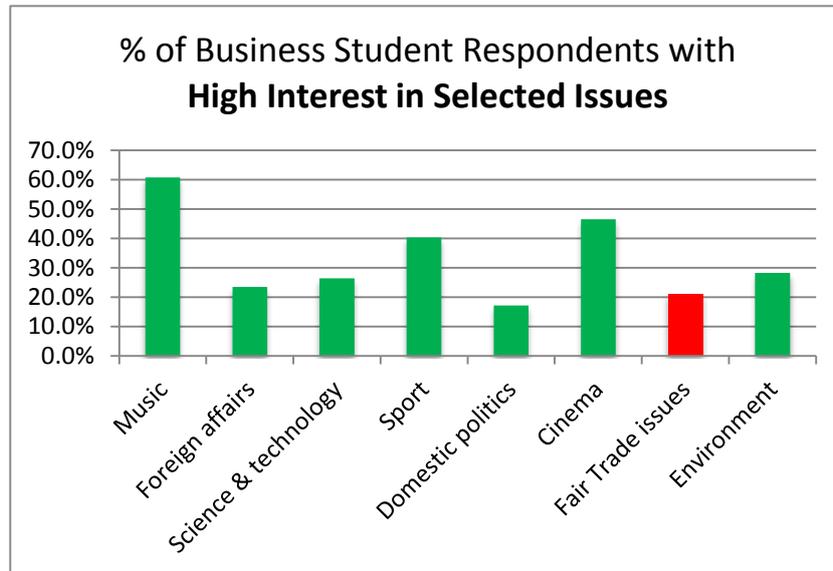
Out of the 418 business students surveyed 92% of them were full time students while 8% were part-time students. 36% of the business students surveyed attended a university, 48% attended an Institute of Technology (IT) and 16% attended other educational institutions, predominantly private colleges. There was an even gender balance among the business students with 50% male and 50% female.



The non-business students surveyed came from a wide range of academic backgrounds such as science, humanities, engineering etc.



In order to gauge their levels of interest for certain subjects, and to ensure the sample represented the general student populace, students were asked to rate their level of enthusiasm for a range of areas. The table below shows the level of interest among business students for these subjects. Subjects such as music and cinema were popular with 60% of business students and 46% of students being interested in cinema. Just 20% of business students reported a high interest in fair trade issues, indicating that the sample was not dominated by students who already have an affiliation to development issues.

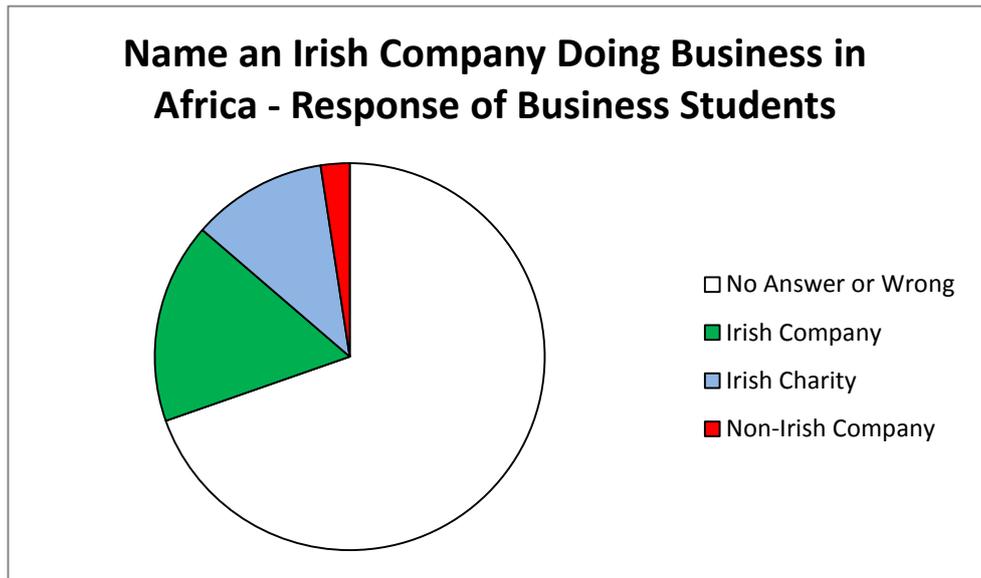


### 3. Knowledge of Africa

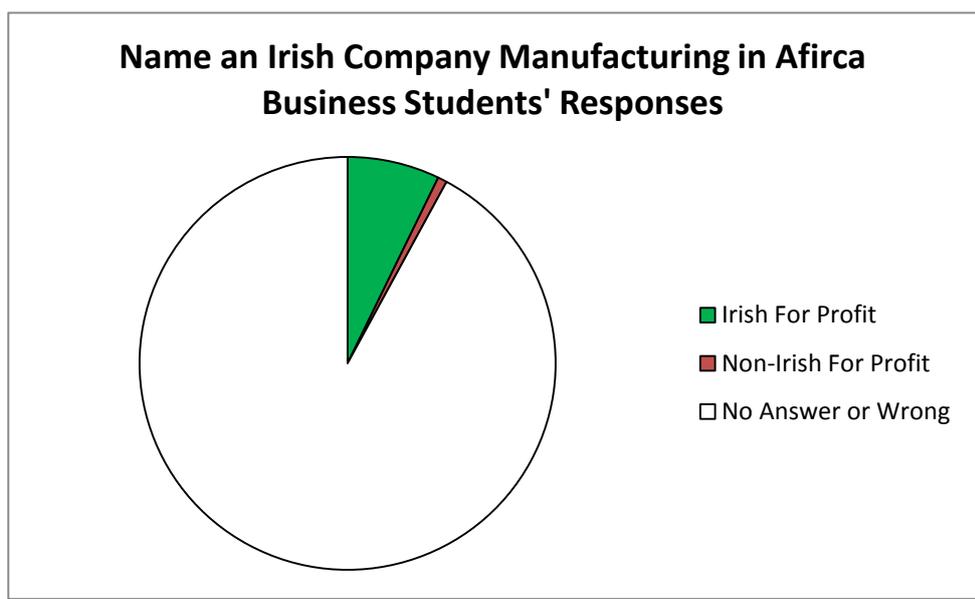
The first section of the survey assessed students' current knowledge of the business environment in Africa.



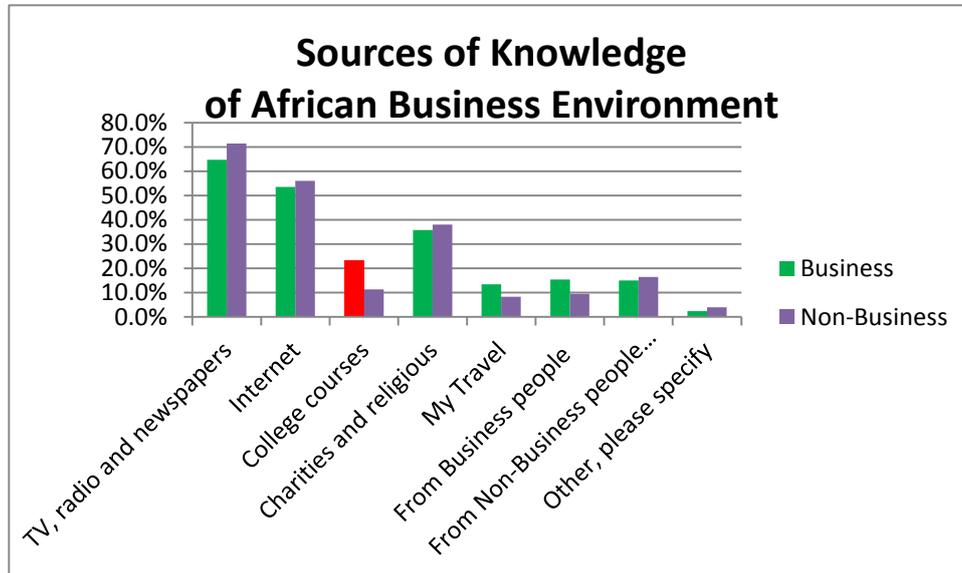
Students were asked to self-categorise their knowledge of the business environment in Africa. Business students were only marginally more knowledgeable than non-business students. 58% of business students and 68% of non-business students categorised themselves as having a poor knowledge of the business environment in Africa. While 30% of business students and 25% of non-business students categorised themselves as having a fair knowledge. 11% of business students and 6% of non-business students said that they had good knowledge. Only 1% of both business and non-business students felt that they had an excellent knowledge of the topic. The majority of business students were not confident on the topic.



This lack of knowledge among business students was particularly apparent when they were asked to name Irish companies who are currently doing business with Africa. Only 17% of business students answered correctly while 11% of business students named a charity rather than a business.



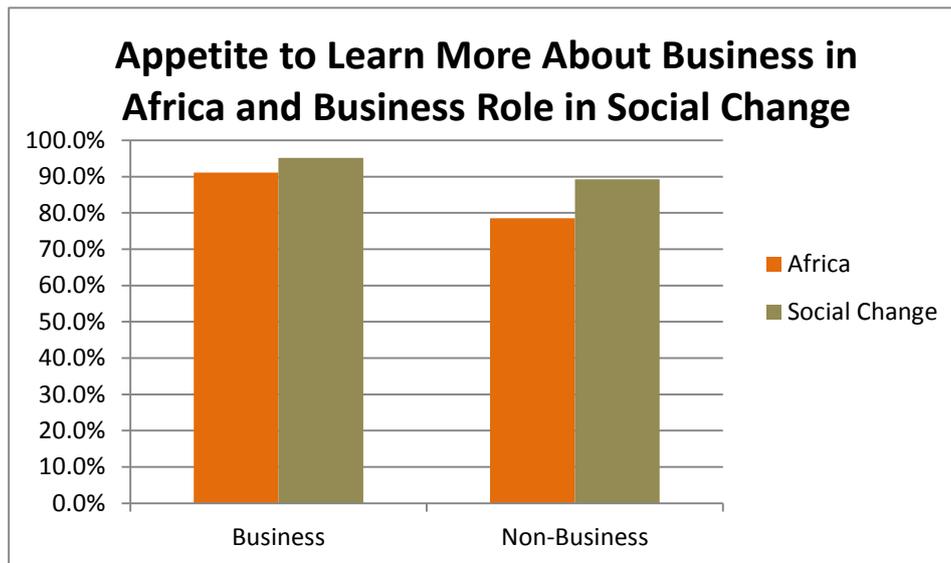
Only 7% could name an Irish company engaged in manufacturing in Africa. 1% named a non Irish company manufacturing in Africa. While 92% of business students answered the question incorrectly or didn't attempt to answer the question at all.



Students were then asked about where their knowledge of the business environment in Africa came from. TV, media and newspaper proved to be the most influential source of knowledge for both business students and non-business students. Third level education, college still ranked 4<sup>th</sup> as a source for business students after media, internet and from charities. Universities are providing business students with some knowledge on the business environment in Africa. However it is clear that business students are not confident in this area and that this knowledge can be improved and built upon.

### **3.1 Appetite to Learn**

There is a desire among business students and non-business students to learn more about Africa and about social change. 91% of business students want to learn more about Africa and 95% want to learn about business' role in creating social change. There is a strong but lower level of desire among non-business students to learn about these topics as 78% of non-business students want to learn about business in Africa and 89% want to learn about business role in creating social change.

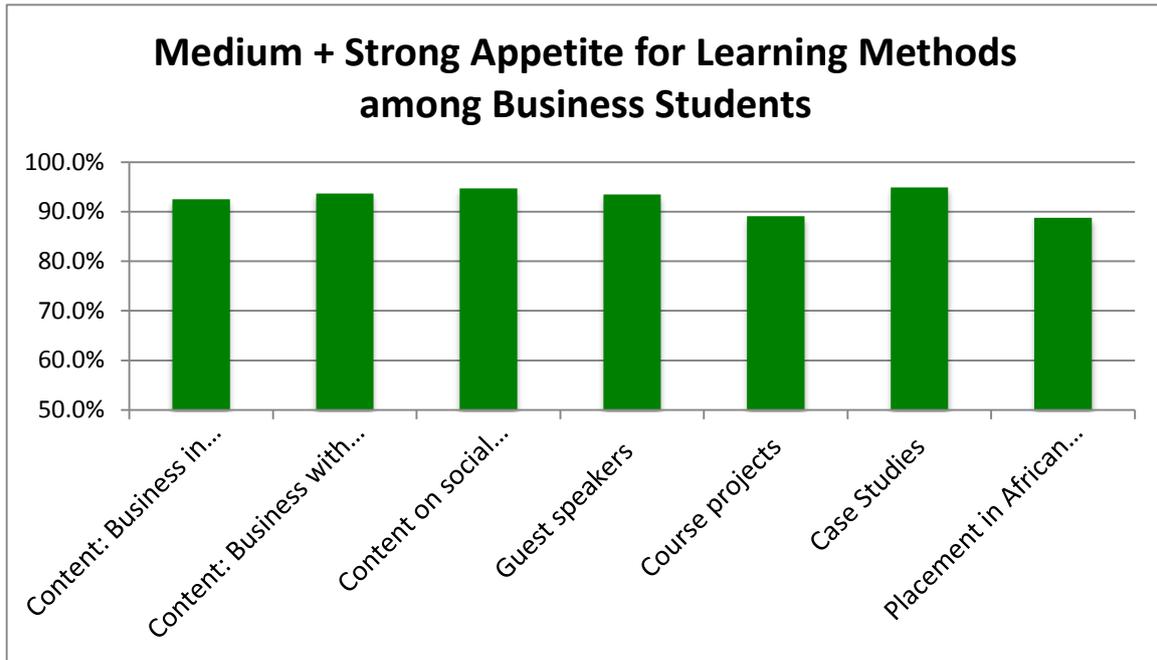


The majority of the business student surveyed did not know about the business environment in Africa. The majority of their learning came from media sources such as newspapers and television. A fraction on their knowledge comes from universities however it is clear that there is a gap in many business students learning regarding Africa and they want to learn more on the topic.

### **3.2 Appetite for Particular Learning Methods**

Students were also asked about what methods would they like to see employed to learn more about business in Africa and business role in social change. All areas scored highly illustrating strong demand for knowledge in this area as well as a demand for diverse methods to teach students about these issues. Social entrepreneurship and case studies of successful companies operating in Africa proved to be the most popular methods of learning with 95% of students wanting to learn about these subjects. 94% of business students wanted to learn about business models with social purposes. 93% of students wanted guest speakers who have successfully done business in Africa to come and talk to their class. 92% wanted content on the business environment in Africa, while 89% of students wanted placement opportunities with a business operating in Africa and course projects on business in Africa. The methodologies that received the lowest rating were placements with a business in Africa, and unsurprisingly, course projects, though even these elements had positive appetite above 80%.

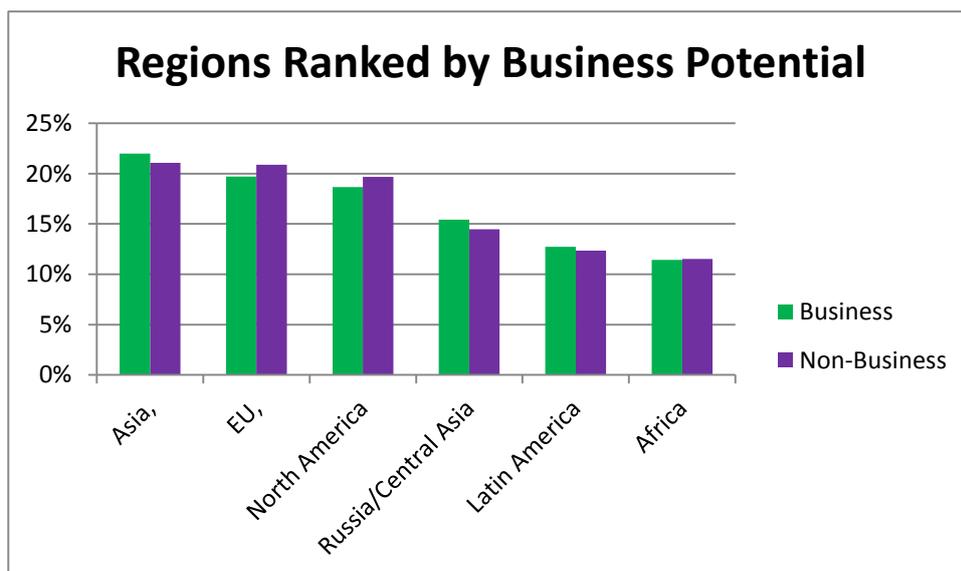
The high demand for all of the learning methods clearly demonstrates a demand among business students for varied comprehensive content on the business environment in Africa and the role business plays in bringing about social change.



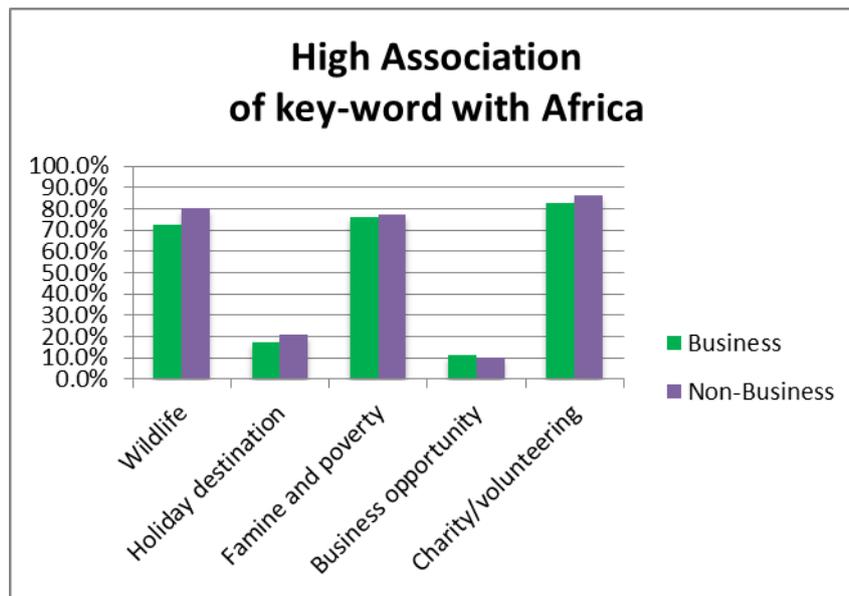
#### 4. Attitudes to doing business with Africa

The second section of the survey assessed business students attitudes to doing business with Africa.

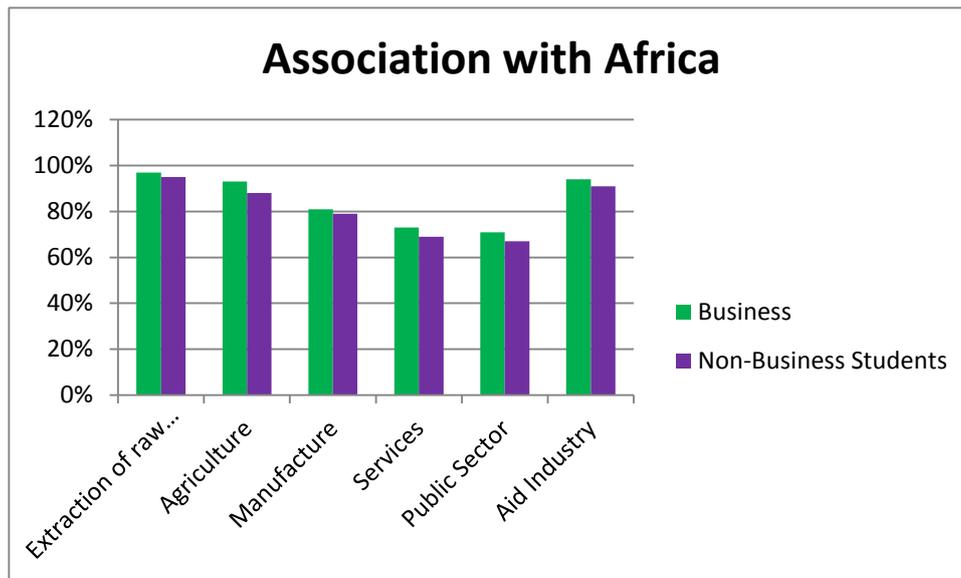
Students were asked to rank the continents in terms of business potential. Both business and non-business students ranked Africa quite poorly in terms of business potential. However business students unlike their non-business counterparts gave higher marks to emerging economies such as Asia and Latin America. This suggests that if they became aware of Africa as an emerging economy they would give it a higher ranking.



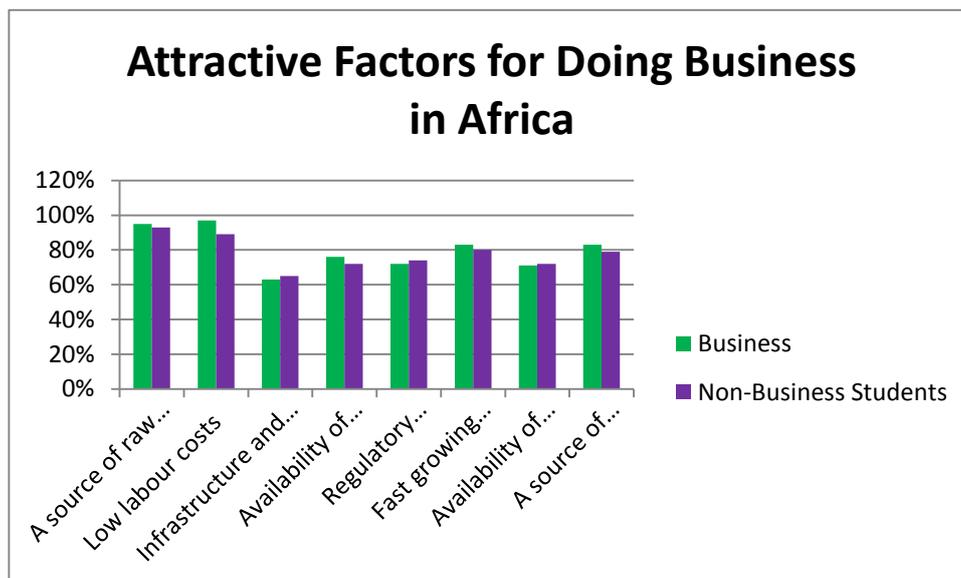
The fact that students don't see Africa as a place to do business is reiterated by the fact that when students were asked to rank how strongly they associated certain words with Africa business opportunity scored quite low for both business and non-business students. Only 11% of business students and 10% of non-business students highly associated business opportunity with Africa. 82% of business students and 86% of non-business students highly associated Africa with charity work and volunteering.



Students were given six different economic sectors and asked how much they associated them with Africa. 97% of business students associate the extraction of raw materials with Africa. The aid industry came next with 94% associating this sector with Africa. Agriculture came in third with 93%. The service industry was fourth with 73% of business students and 69% of non-business students associating it with Africa and finally 71% of business students associated the public sector with Africa. In fact the services sector is the largest single sector in most African economies, though this is not represented in the student perceptions. Business students seem to concentrate on what Africa can offer in terms of unprocessed products. They aren't focussing on what Africa can offer in terms of skills, services and processed products.



The students were then asked what they perceive as the attractive factors of doing business with Africa. 95% of business students identified raw materials, while 97% identified low labour costs as a strong attractive factor for doing business with Africa. 83% saw it as a source of goods.

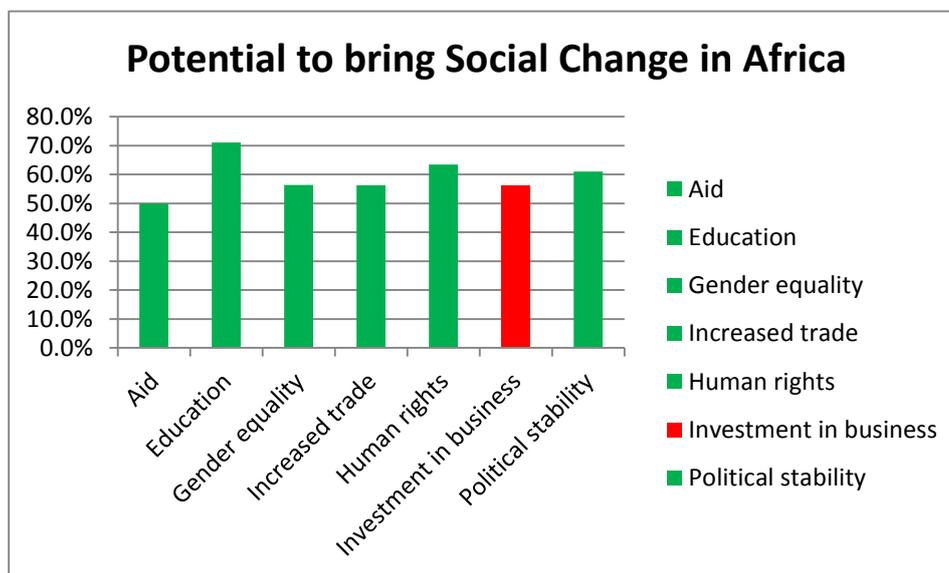


The majority of the business students associated Africa with charity, poverty and wildlife not with business. They don't see it as an emerging economy and accordingly the majority of them don't see Africa as a desirable place to do business. The sectors that they predominantly associate with Africa are the aid industry and raw materials as opposed services or the public sector. When it comes to doing business with Africa the majority of students seem to see Africa as source for raw materials and cheap labour. The majority of students don't seem to see it as a place of economic growth.

## 5. Attitudes to business and social change

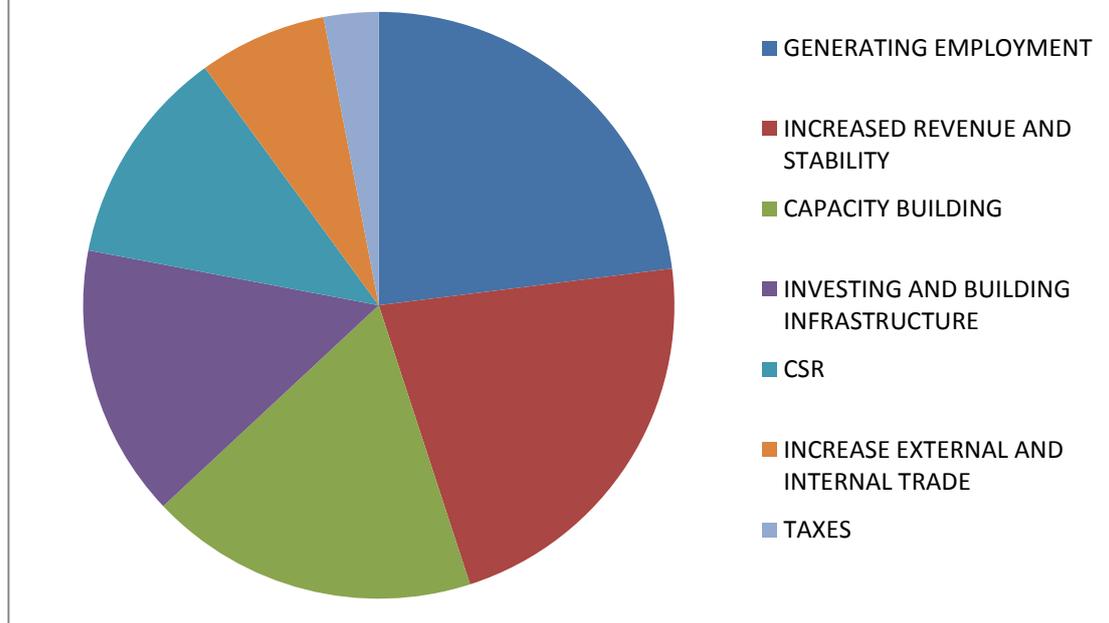
The third section of the survey examined students attitudes to business and social change.

Business students were asked to score the following in terms of their potential to bring social change in Africa: aid, education, gender equality, increased trade, human rights, investment in business and political stability. Education scored highest with 71% of business students strongly believing that it had the power to create social change in Africa. 63% strongly felt that human rights was the answer, 61% cited political stability while 56% strongly believed that business investment, increased trade and gender equality had the power to bring social change in Africa. 50% strongly believed that aid had the potential to bring about social change. It's interesting to note business students rated investment in business over aid. Though they associate Africa with charity and volunteering more than with business, it seems that more of them believe that business is a more powerful agent of change than aid.



When business students were asked how they thought businesses operating in developing countries could contribute to development in those countries only 233 students out of the 418 business students were able to provide one or more responses to the question. Among those who did provide an answer the most common responses were generating employment (26%); increased revenue and stability (22%) and capacity building (18%).

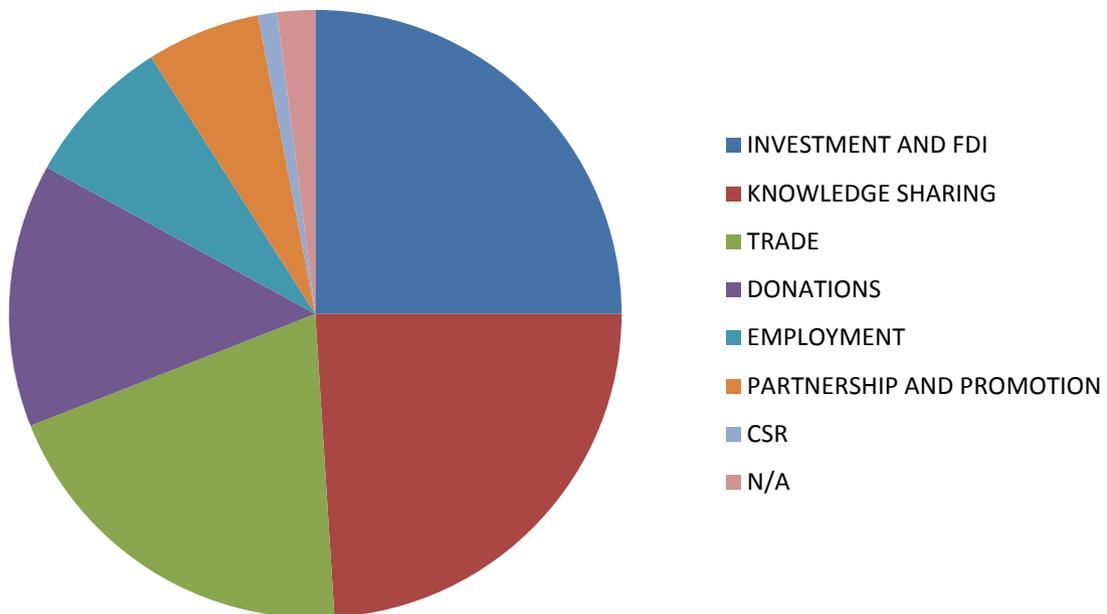
## Ways in which businesses in developing countries contribute to development



Business students were also asked how they thought businesses based in Ireland could add to development in developing countries. Less than half of the business students surveyed (224 out of 418) attempted to answer the question. Out of those who did answer, the most commonly cited factors were: through investment and FDI (25%); knowledge sharing (24%); trade (20%); and donations (14%).

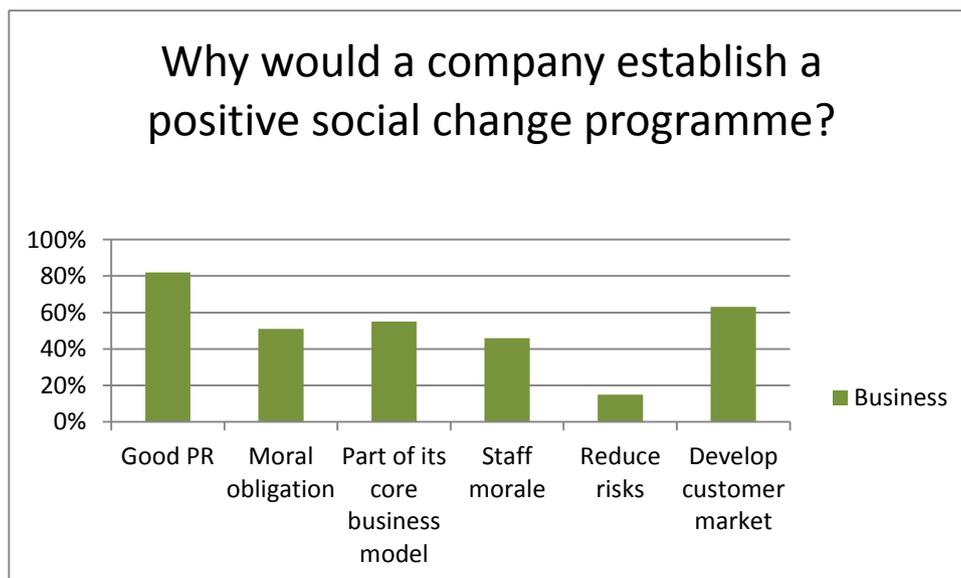
The low level of responses to these questions suggests that business students do not know how businesses based in Ireland and in developing countries can contribute to development. However when earlier asked the more theoretical question on the potential of a range of factors to bring social change to Africa, 56% of them identified investment in business. It is clear that business students believe that business can bring about social change but that they lack the knowledge and confidence to believe that they or an Irish business can make a difference.

## Ways businesses based in Ireland can add to development



Students were given a number of options and asked to identify which were the reasons they believed that a company would establish a programme that creates positive social change. They were allowed choose a number of options. The most commonly cited reasons were: good PR (82% ); to develop a customer market (63%); as part of the core business model (55%) and moral obligation (51%). Staff morale and risk reduction were ranked less highly.

## Why would a company establish a positive social change programme?



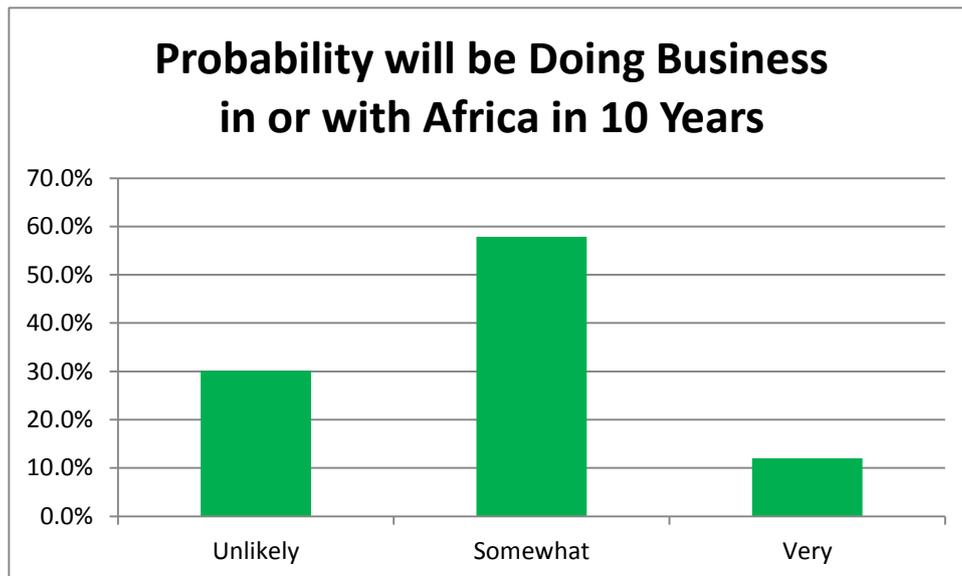
### 6. Confidence and Action

Students were asked whether they were confident that good business could be done successfully in Africa. 93% of business students were either confident (70%) or very confident (23%) that good business could be successfully done in Africa. Just 7% of business students were not confident that good business could be done in Africa.

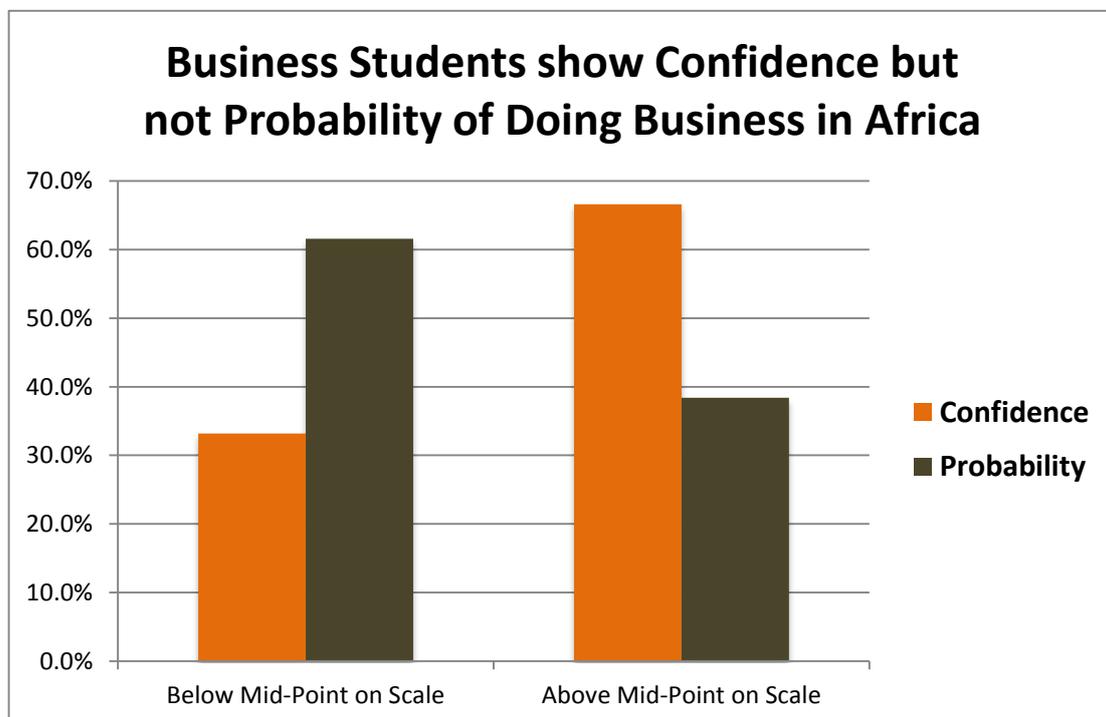
The ratings of business students were only marginally ahead of their non-business counterparts among whom 90% expressed confidence. This would suggest that the business courses had not had a significant impact on business students' confidence about doing business in Africa.



Students were then asked to gauge the probability of they themselves doing business in Africa or with Africa in the next 10 years. 30% of business students felt that it was unlikely. 58% felt that it was somewhat likely, while 12% felt that it was very likely.



The evidence points to a disconnect between business students high levels in confidence that successful good business can be done in Africa and the likelihood that they will do business with Africa in the next 10 years. While the graphs on confidence and probability are similar in shape, a different picture emerges when the data is regrouped. The table below shows the same data but separating out the degree of confidence and the degree of probability. It shows that the confidence of business students about doing business in Africa is strong, but there is much less probability of they actually engaging as business people with Africa in the next decade.



## **7. Conclusion:**

This report set out to measure business students' knowledge, understanding and attitudes to doing business with Africa and business' role in creating social change. It establishes a baseline against which student's attitudes can be measured in the future to identify changes resulting from education programmes.

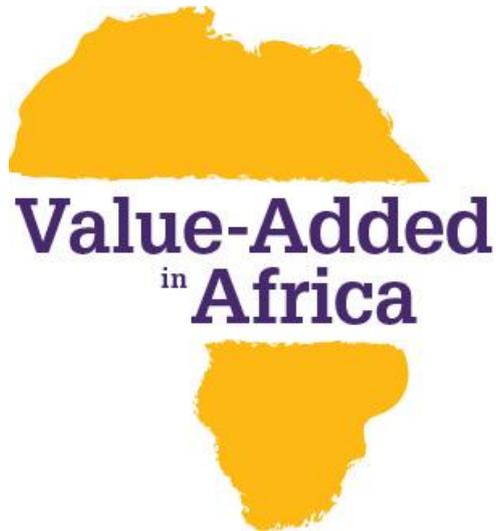
Overall Irish business students displayed very low levels of knowledge about doing business with Africa. They rate themselves as knowing little about the business environment in Africa and currently do not associate Africa as a place to do business. Instead they associate Africa with the aid industry and raw materials. Only 17% of business students could name one or more Irish companies doing business in Africa. Relative to non-business students, business students displayed considerably lower levels of attractiveness to doing business in Africa.

Business students believe that business can be a powerful agent of social change. However, this belief is untutored as many cannot name ways that a business based in either Ireland or a developing country can add to development. The majority of students' limited knowledge is coming from outside of third level education. There is a clear gap in their learning that needs to be addressed. However there was a high level of appetite to learn both about business in Africa and business' role in creating positive social change. Students expressed a desire to learn through a wide range of teaching methods.

Business students believe that it is possible to do good business with Africa and they feel confident in undertaking this. However the majority of them feel that they are unlikely to be doing business with Africa in ten year time.

While business students ranked emerging economies highly as attractive places to do business, they do not perceive Africa as an emerging economy. This suggests that if business students were to learn about Africa as an emerging economy they would be more willing in their business careers to engage with Africa.

Based on this survey, there is no basis to expect that the next generation of business decision makers is poised to have a significantly more positive approach and be more engaged in doing business in Africa than previous generations. Changes in the course content and curriculum of business studies may offer opportunities to increase the prospect of socially beneficial business engagement by Irish companies with Africa, whether in African countries or while operating in Ireland.



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