



# POVERTY & ACTION



GLOBAL INSIGHT INTO HOW  
BUSINESS SCHOOLS ARE  
ADDRESSING POVERTY CHALLENGES





The United Nations (2019) reports that 783 million people live below the international poverty line of US\$1.90 a day – this means that more than one in every 10 people on this planet struggles to access the most basic human needs such as access to clean water, healthcare and education. Many millions more people struggle above this 'line', just about able to make ends meet, but without hope of building a more prosperous future.

For these individuals, upward social mobility is not a realistic aspiration. Instead, poor working conditions and struggles to make ends meet often characterise working lives. These people cannot afford to invest the money they make or take the time out of work to obtain the skills they need for further opportunities, and even when their local economy does not provide an opportunity to prosper.

As a global Business School community, AMBA and the Business Graduates Association (BGA) encourages its accredited and member institutions to reach out beyond the walls of their institutions and seek to address the most important issues facing our society.

Few global concerns affect more of the world's population than poverty and income disparity. The World Economic Forum's Global Shapers Survey (2017), a study of more than 25,000 young people across the world aged 18-35, places income inequality and poverty as third and fourth in terms of the most important issues affecting our world today.

For the poorest people in society, the economy is not currently serving them, and so Business Schools have a duty to understand how business can work for society and influence decision makers who can implement management changes for the better. With this in mind, Business Schools should also train and teach those who cannot afford to enrol onto their programmes.

AMBA & BGA wanted to understand more about what Business Schools within our global network are doing in relation to addressing poverty. This was not to assess or benchmark institutions, but rather to understand how Schools are acting and what might be preventing them from doing more, both now and in the future.

The key focus of this research study is to raise awareness around what Schools are doing so that this can be built upon within the AMBA & BGA network and beyond.

## AMBA & BGA'S APPROACH

AMBA & BGA undertook a suite of research, which sought to comprehensively understand what Business Schools are doing to support poverty related issues. This covered three different poverty-related projects:

1. An online survey of Business School leaders (188) and Business School students (425) and graduates (1,304).
2. Five follow-up qualitative interviews with Business School graduates and professionals.
3. Three case studies of Business Schools analysing the work they are doing regarding poverty reduction. This was covered in a previous report published in BGA's Business Impact magazine ([www.businessgraduatesassociation.com/mind-the-poverty-gap-how-the-most-progressive-business-schools-in-the-world-are-trying-to-help-close-it](http://www.businessgraduatesassociation.com/mind-the-poverty-gap-how-the-most-progressive-business-schools-in-the-world-are-trying-to-help-close-it)).

This report includes findings from elements 1 and 2 of the research. The content concerns the quantitative research element, primarily, but is supplemented by findings from the qualitative interviews. Within this report all survey respondents are referred to as 'Business School stakeholders' or 'all participants'. On occasions we refer to the sub groups of students and graduates and Business School professionals.

## RESEARCH OBJECTIVES

Our primary objectives of this research were to understand the role and impact of poverty-related activities conducted by Business Schools; and to communicate these findings to the wider Business School community and beyond. Specific research questions included:

- To what extent is poverty an issue for the business community and Business Schools?
- What role, if any, do Business Schools currently play in tackling poverty?
- What examples are there of Business Schools tackling poverty; and how does this work in practice?
- What barriers exist that prevent Business Schools doing more to alleviate poverty (and what more can be done?)
- How can Business Schools collaborate further to ensure they do more as a collective movement to alleviate poverty?
- To what extent is poverty an issue for the business community and Business Schools?
- What role, if any, do Business Schools currently play in tackling poverty?



## GLOBAL PROFILE OF PARTICIPANTS

More than two thirds of participating MBA stakeholders (68%) previously graduated from a Business School, almost a quarter (22%) currently study at a Business School and almost one in 10% currently work at a Business School. In this report we will refer to these participants as 'Business School stakeholders'.

AMBA & BGA is made up of global networks of Business Schools, students and graduates and so our studies seek to reflect this profile by capturing the views of Business School stakeholders from around the world.

While a third (33%) of these participants are based at Schools in the UK, more than a fifth (22%) are based in Western Europe, one in seven are based in Asia (14%), one in 10 (10%) are based in Africa and approximately one in 14 are based in Latin America (8%) and Eastern Europe (7%). Meanwhile, 4% are based in the area of North America and the Caribbean and 3% are based in Oceania.

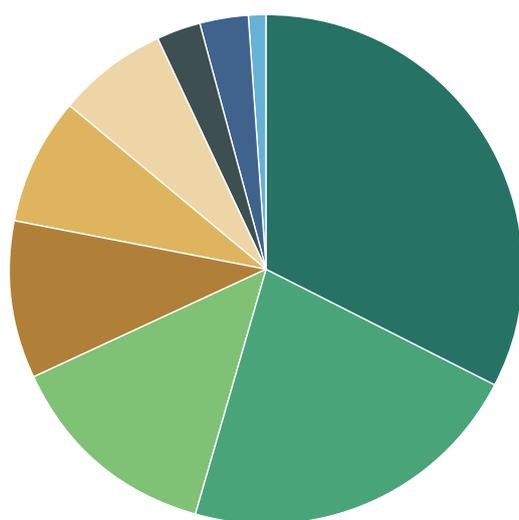
This study assesses the views of professionals whose institutions cover cross sections of different forms of business qualifications. Almost three quarters (72%) work for, or are associated with, institutions that

provide master's degrees, seven in 10 (69%) executive education, three in five (59%) doctorates, more than half (55%) bachelor degrees and one in ten (12%) massive online open courses (MOOCs)

## PERSONAL PROPENSITY TOWARDS POVERTY AND SUSTAINABILITY RELATED ACTIVITIES

At the start of the survey we wanted to understand the current behaviours of MBA stakeholders in relation to poverty reduction efforts and sustainability related activities. Participants were asked a range of questions about the frequency in which they participate in ethical and environmentally impactful activities. Although practical and ethical considerations influence the propensity of which individuals adopt these behaviours, it is nevertheless interesting to gauge the social consciousness of participants.

- Most Business School stakeholders make financial donations to charities which work to reduce poverty (65% of all participants and 75% of Business School professionals say they do this at least sometimes) but are slightly less willing to give up their time to help these charities (50% report doing this at least sometimes), perhaps reflecting a paucity of time available or opportunities to help.



### IN WHICH REGION OF THE WORLD IS YOUR BUSINESS SCHOOL?

|                  |            |
|------------------|------------|
| ■ UK             | <b>33%</b> |
| ■ Western Europe | <b>22%</b> |
| ■ Asia           | <b>14%</b> |
| ■ Africa         | <b>10%</b> |
| ■ Latin America  | <b>8%</b>  |
| ■ Eastern Europe | <b>7%</b>  |
| ■ Oceania        | <b>3%</b>  |
| ■ Caribbean      | <b>3%</b>  |
| ■ North America  | <b>1%</b>  |



- Although some participants are not able or willing to give up their free time to help those who are less affluent, three fifths (61%) say they work for organisations that make a substantial positive contribution at least occasionally. This figure is significantly higher among Business School professionals, of whom nine in 10 (90%) say occasionally or more frequently and half (48%) often or more frequently. It is also worth noting that less than a fifth (19%) of all MBA stakeholders say their Business School never makes a substantial contribution to those who are less affluent.
- Business School stakeholders are more likely to adopt behaviours which are often a function of habit, especially in relation to the environment. Seven in 10 (70%) say they always or often limit how much they print on paper to reduce their impact on the environment and three fifths (59%) always or often limit their energy use (e.g. gas and electricity) to reduce their carbon footprint. Meanwhile, just a quarter (27%) always use their car instead of walking, cycling or using public transport to travel in their local area – this is slightly less than the proportion who ‘never’ or ‘occasionally’ use a car (32%). Business School professionals are less likely to use their own car (22% vs 28% of students and graduates).

## FOCUS ON LATIN AMERICA

As part of this research, AMBA & BGA partnered with the Latin America Council of Business Schools, CLADEA, to provide further insights into the experiences and perceptions of further Business Schools within and connected to the Latin American region. CLADEA conducted a survey of 27 Business Schools within their network. The key findings are as follows:

More than three quarters (78%) of Schools agree that they are confident that their Business Schools helps the poorest in society, but more than nine in 10 (93%) agree that the global Business School community needs to do more to help the poorest in society.

The same proportion (93%) agree that the collective effort of the Business School community is crucial in helping business to work better for those on low incomes and in poverty. These figures are similar to those in the wider global sample.

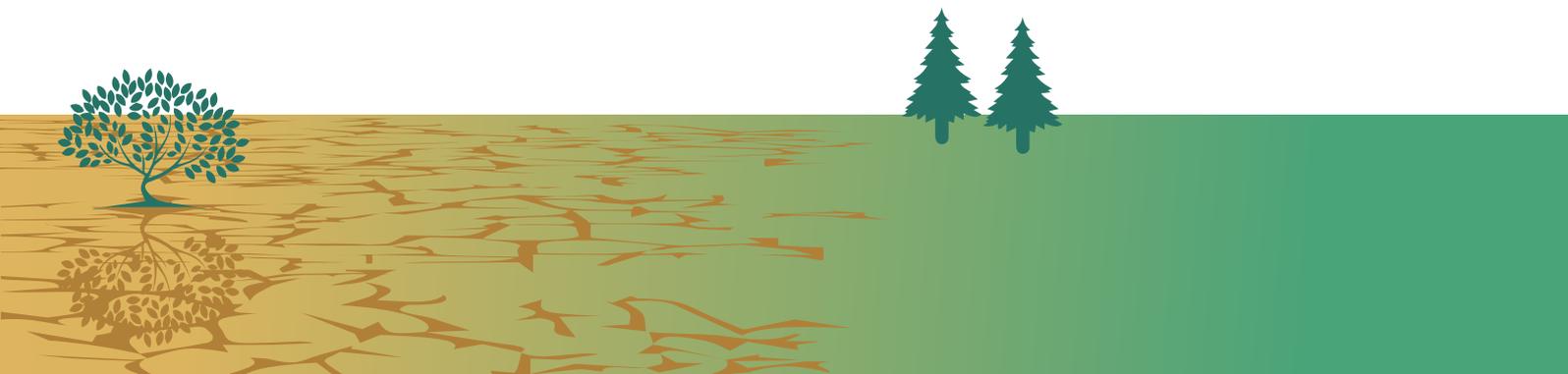
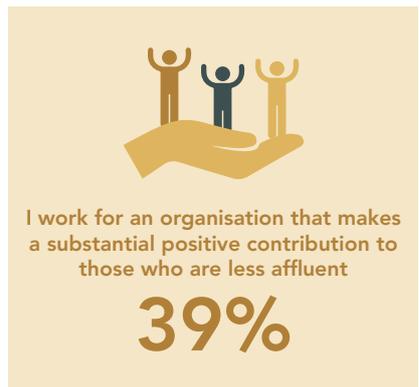
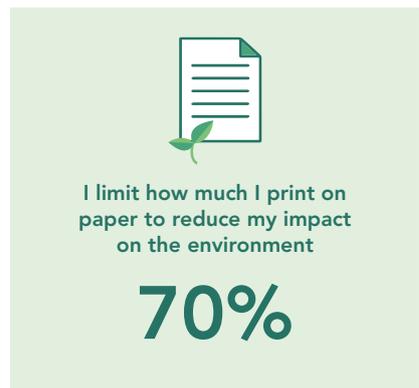
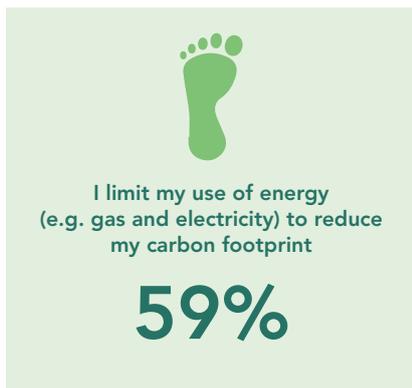
Participants were asked how much impact their Business School makes in addressing poverty on a scale of 0-100. The mean response was 52, however there was a wide spread of responses with many Schools mentioning lower levels of impact of less than 10, and others mentioning higher levels of impact of more than 80.

Almost half (44%) of all Schools report having run programmes which are looking to alleviate poverty or help those on low incomes, a figure which is higher than the global average. Programmes highlighted included developing a community centre, advice and training to microentrepreneurs working with villages in India and other communities which are excluded from doing business, to help them set up their own initiatives and generate revenues which are invested back into communities.

More than three quarters (77%) of participants state that they can collaborate with other Business Schools to help alleviate poverty by conducting projects with future business leaders. This may provide an avenue to make a further positive contribution.



HOW FREQUENTLY, IF AT ALL, DO YOU DO EACH OF THE FOLLOWING THINGS?  
 (% stating always or often)



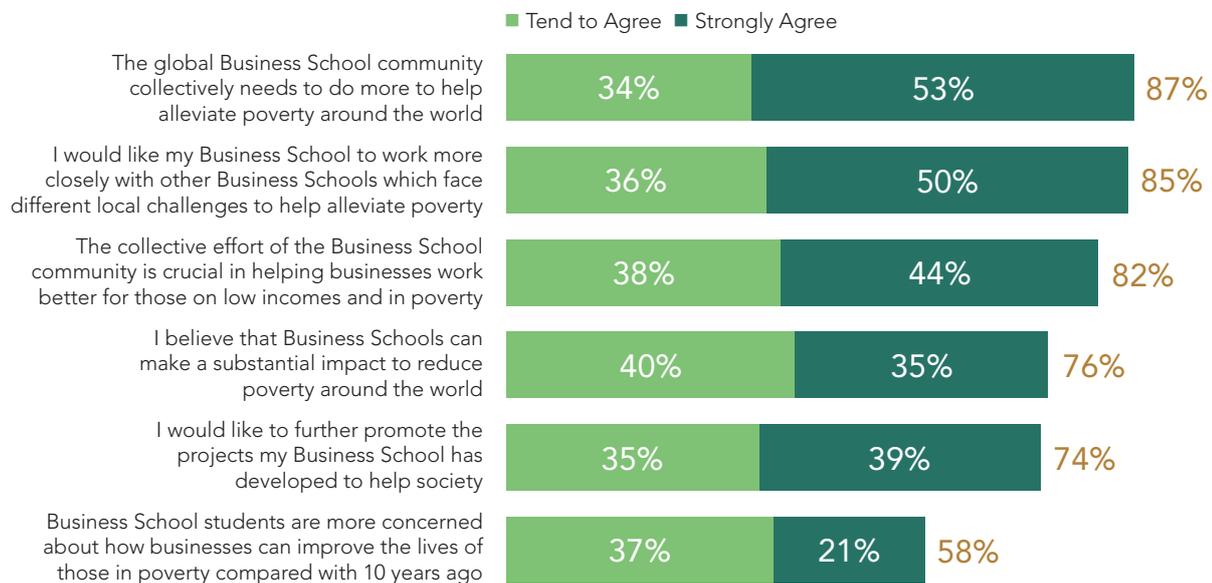
## SHOULD BUSINESS SCHOOLS BE SEEKING TO TACKLE POVERTY-RELATED ISSUES?

The survey went on to ask participants about their views on whether poverty should be an issue for Business Schools. For the most part, Business School stakeholders believe their institutions can make a substantial impact to reduce poverty around the world. Three quarters (75%) agree with this sentiment, a figure which rises to 86% among Business School professionals only, and overall just 7% disagree. This is important, as it suggests that Business Schools believe in their capacity and influence to make a real difference in this area.

This belief in the ability of Business Schools to make a difference will have little influence if the ambition and motivation to make an impact does not exist. So, it is reassuring that almost nine in 10 (87%) agree that the global Business School community collectively needs to do more to help alleviate those in poverty around the world.

This demonstrates that there is a widely held view that Business Schools should be doing more in this area. Interview participants also recognised that there is a meaningful link between Business Schools and poverty issues.

### TO WHAT EXTENT DO YOU AGREE OR DISAGREE, IF AT ALL, WITH EACH OF THE FOLLOWING STATEMENTS?



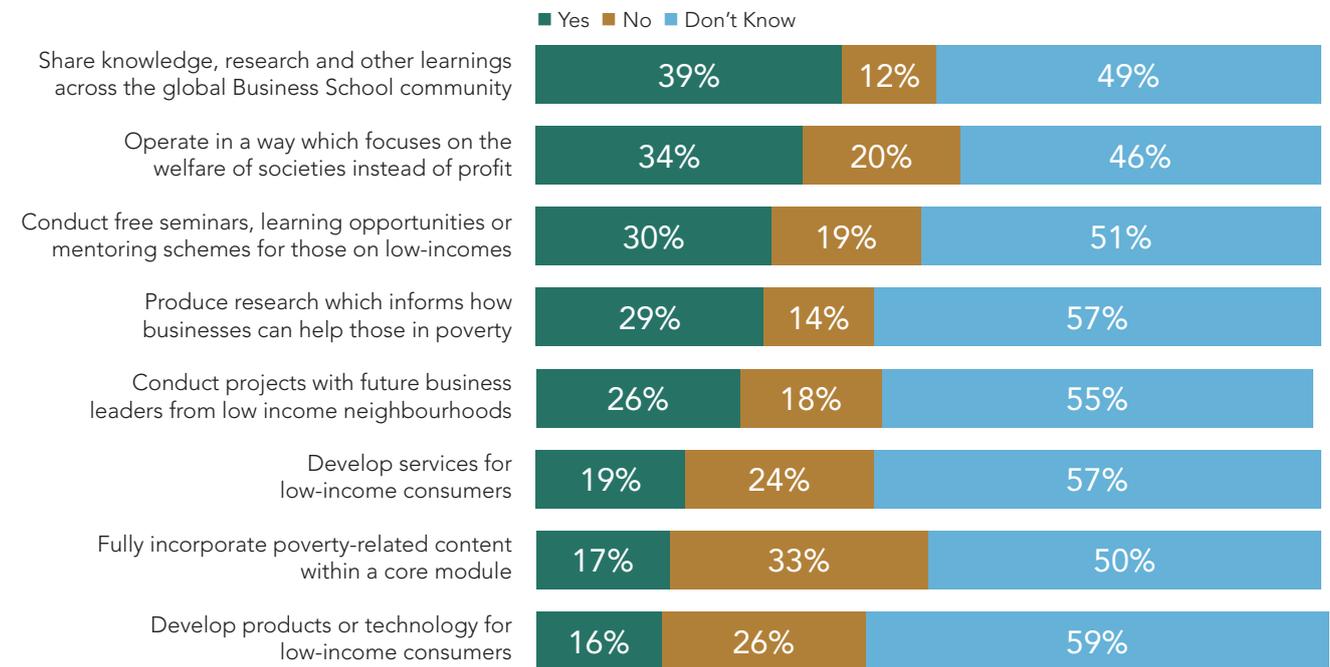
## HOW ARE BUSINESS SCHOOLS TACKLING POVERTY?

Participants were then asked about the extent to which Business Schools are currently working to alleviate poverty. Results are mixed, with some recognition of poverty-related efforts, while there are also substantial proportions of participants who are unaware of the work of Schools.



There is a big interaction between Business Schools and poverty. If business is not responsible it can create poverty. I think [Business Schools] need to give people an opportunity, such as through scholarships. And if the programme content is not focussed on the responsibility of business then it will contribute to poverty, and businesses will not think about the impact of their actions."

### WHICH, IF ANY, OF THE FOLLOWING ACTIVITIES HAS YOUR BUSINESS SCHOOL CONDUCTED TO HELP ALLEVIATE POVERTY? FOR EACH, PLEASE SELECT 'YES', 'NO' OR 'DON'T KNOW'.



Just over a quarter (28%) report that their Business School has implemented projects or programmes which are directly working to alleviate poverty or help those on low income. While this figure rises sharply to 54% among Business School professionals, it still illustrates that there is a substantial proportion of individuals who are unable to think of any examples where their Business School is working on poverty.

Part of this might be an awareness issue. Only one in 10 participants (12%) is able to categorically say that their Business School did not work to directly alleviate poverty in some way, while three in five (60%) do not know. While there is slightly more clarity among Business School professionals there remains a significant knowledge gap (24% say they do not know).

Participants were then asked what types of poverty-related activities their Business School has undertaken. Business School stakeholders are most likely to be aware of knowledge sharing and research (39%), followed by operating in a way which focusses on the welfare of societies instead of profit (34%). It is worth noting that awareness is higher among Business School professionals. Three fifths report both knowledge sharing and operating in a way which focusses on welfare instead of profit (59%).

This mixed level of awareness is reflected in the responses of interview participants, who appeared to have some understanding of their School's work on poverty and their objectives but were often unable to outline many specific projects or details about them.

“

I think Business Schools have courses that promote responsibility and ethics in business. You hear about how Business Schools make an impact in business. They make you aware of the consequences of your decisions.”

Some of the more prevalent activities tend to be those which are more about the ethos and direction of a Business School and how they share knowledge, while more tangible activities, such as the development of new technologies or services are less prevalent.

When looking at specific activities Business Schools initiate around poverty, there are large proportions of participants who are unaware of each of these activities. This would suggest that more needs to be done to communicate the work of Business Schools internally, specifically around poverty-reduction activities, if these are being conducted.



## THE IMPACT OF BUSINESS SCHOOLS ON POVERTY

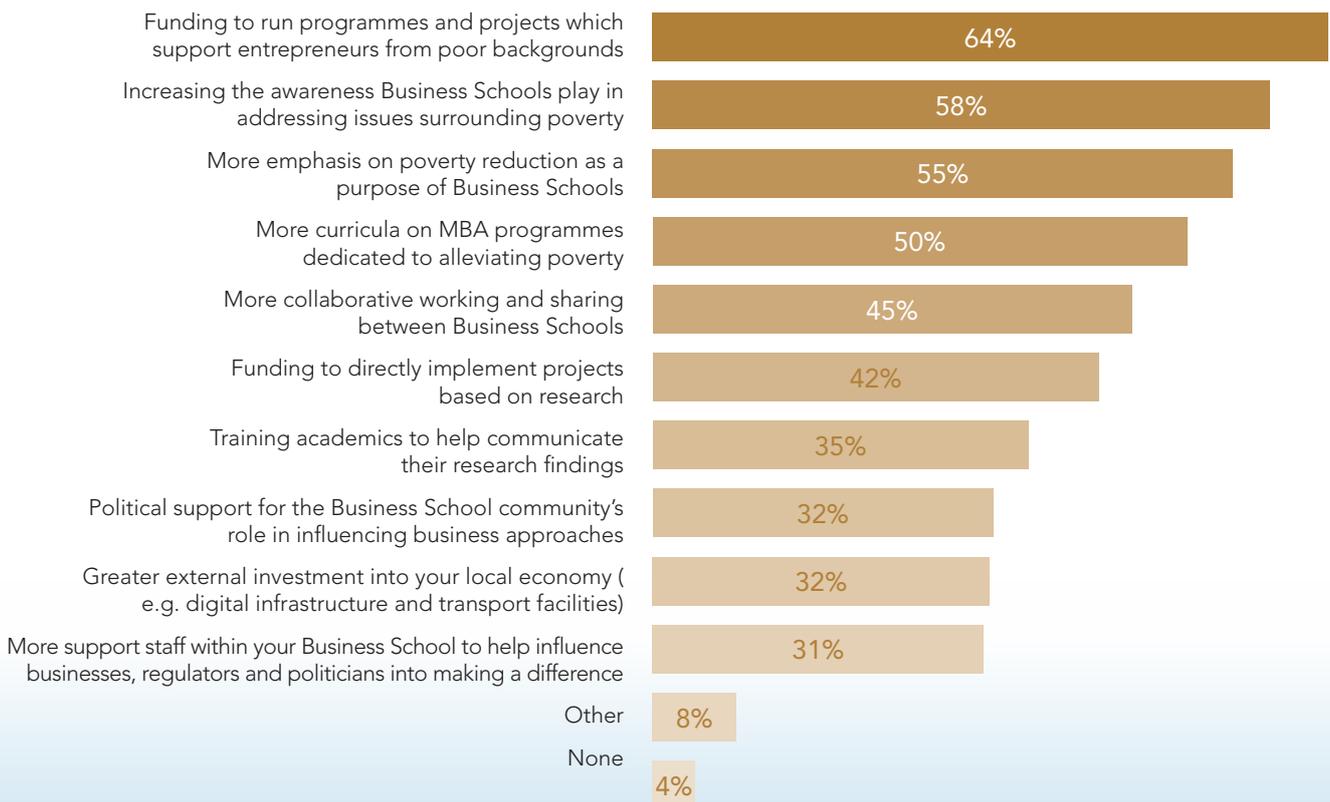
Participants were asked on a scale of zero to 10 how much impact, with 10 being the maximum amount of impact they could envisage, they feel their Business School is making towards poverty reduction. The average score given by all participants is 4.8 and for Business School professionals its very slightly higher at an average of 5.1.

This illustrates two aspects: that MBA stakeholders believe Schools are currently delivering a modest impact

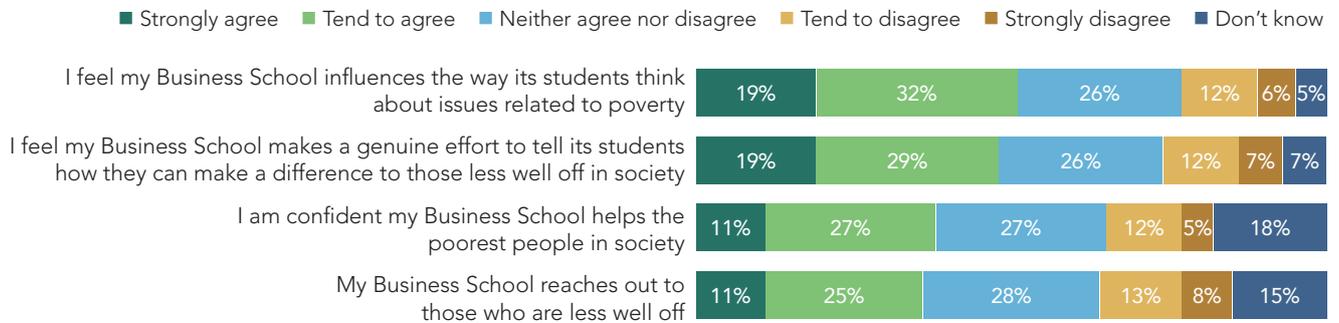
when it comes to tackling poverty; and that there is a widely held view that Schools can do much more. This belief should act as a sign that Business Schools should be bolder about what they can achieve in this area.

Participants were then asked what would help Business Schools make more of an impact on tackling poverty from a list of options. The most frequent suggestions were funding to run programmes and projects which support entrepreneurs from poor backgrounds (64%), increasing the awareness Business Schools play in addressing issues surrounding poverty (58%) and more emphasis on poverty reduction as a purpose of Business Schools (55%).

### WHICH, IF ANY, OF THE FOLLOWING WOULD HELP BUSINESS SCHOOLS MAKE MORE OF AN IMPACT ON TACKLING POVERTY?



### TO WHAT EXTENT DO YOU AGREE OR DISAGREE, IF AT ALL, WITH THE FOLLOWING STATEMENTS?



Interview participants also made recommendations linked to the communication and image of Business Schools on their poverty work. The following participant, quoted below, described the importance of Business Schools working, and being seen to work, on poverty-related issues.

“Give Schools more recognition and give them the incentive to do more work around poverty. They should also do more in terms of poverty entrepreneurship opportunities and outreach work. This would help with their image and branding.”

There were also a range of other suggestions made, often on how Business Schools communicate and influences others. For example, 31% cite more support staff within their Business School to help influence businesses, regulators and politicians into making a difference. Meanwhile, almost half (48%) of all Business School professionals report more collaborative working and sharing between Business Schools, suggesting that there is an opportunity for Schools to utilise their joint resources to make a greater impact.

This latter point around communication and influence was raised in the qualitative interviews, with MBA stakeholders describing the need to reach out to corporate institutions and policy makers.

“They can work with other large organisations to start putting a spotlight on issues.”



## PERCEPTIONS OF SCHOOLS' APPROACHES AND ATTITUDES TO POVERTY

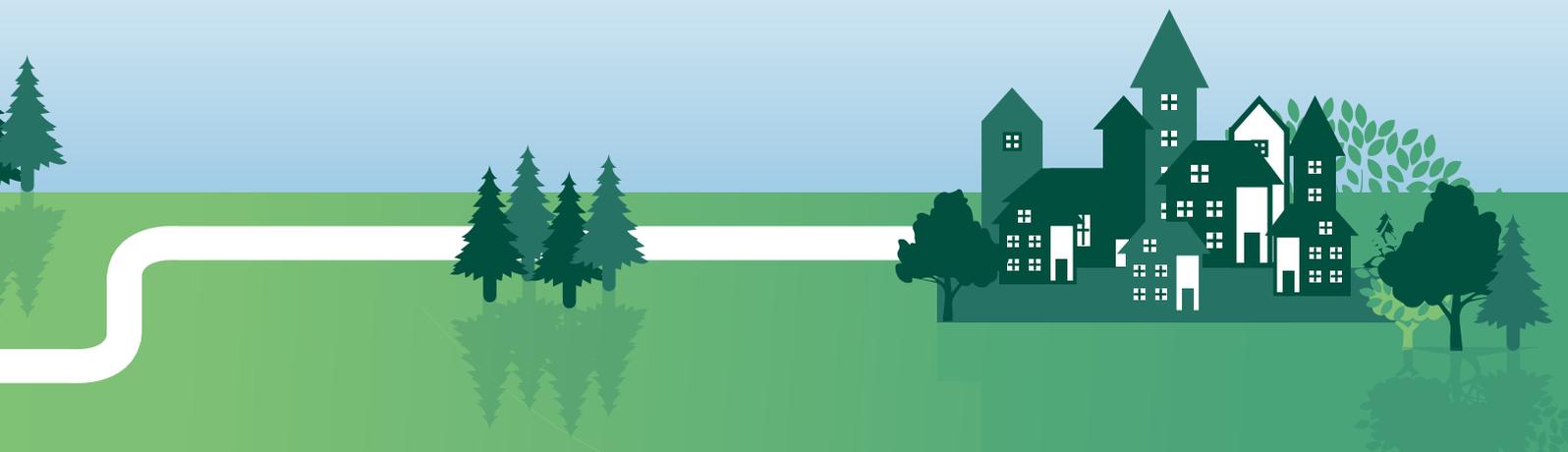
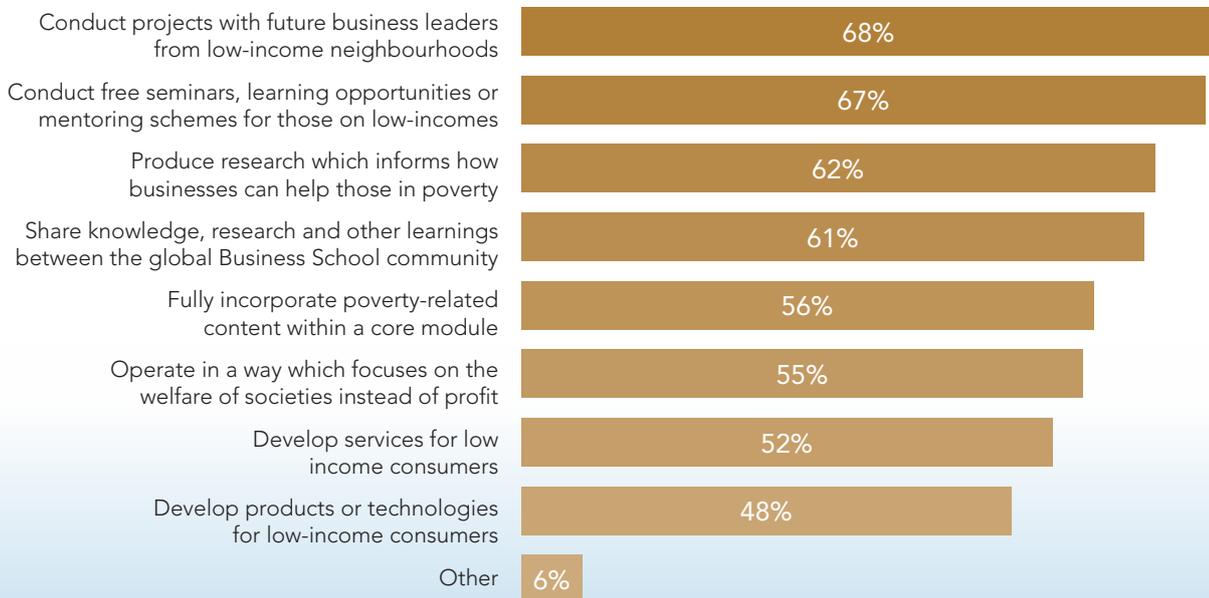
We then asked a range of questions about how participants perceive the work of Business Schools on poverty, as sometimes the belief in what institutions are doing does not match their awareness.

The findings suggest that Business Schools perhaps need to do more to align themselves with those who are not so affluent. Less than two fifths (38%) are confident that Business Schools help the poorest in society or agree that their Business School reaches out to those who are less well off (36%). These figures rise slightly for Business School professionals (52% and 53% respectively).

It appears that Business School students are more concerned about how businesses help those in poverty compared with a decade ago. Almost three in five (57%) agree with this suggestion compared with approximately one in eight (13%) who disagree. However, about half feel their Business School influences the way its students think about issues related to poverty (50%) or agree that their Business School makes a genuine effort to tell its students how they can make a difference to those less well off in society (48%).

Meanwhile, Business School stakeholders are moderately more likely to agree that they feel their Business School influences the way its students think about poverty and feel my Business School makes a genuine effort to tell its students how they can make a difference to those less well off in society (50% and 48% agree respectively).

### IN WHICH, IF ANY, OF THE FOLLOWING AREAS DO YOU THINK BUSINESS SCHOOLS CAN COLLABORATE TO HELP ALLEVIATE POVERTY AROUND THE WORLD?



## BUSINESS SCHOOLS WORKING TOGETHER

More than four fifths (82%) agree that the collective effort of the Business School community is crucial in helping businesses work better for those on low incomes and in poverty. Not only do participants believe this will help, but many want their Business School to work more closely with other Business Schools which face different local challenges around poverty (85% agree with this and just 3% disagree).

Participants were asked in which of a range of ways they think that Business Schools can collaborate to alleviate poverty around the world. The most frequent option cited was conducting projects with future business leaders from low-income neighbourhoods (68%), conducting free seminars, learning opportunities or monitoring schemes for those on low incomes (67%) and producing research which informs how businesses can help those in poverty (62%). As the chart on page 13 indicates, each of the suggestions has relatively high levels of agreement, including the development of products and technologies for low-income consumers (48%), which a much smaller proportion report has been done previously.

Collaboration was also a theme which strongly resonated during the qualitative interviews. Participants cited a range of benefits they saw from collaboration, to offering the business management education sector an opportunity to make greater impact.

“

Schools can collaborate together. Maybe they can share the results of their research. Big networks can share local knowledge and information about factors that contribute to poverty. Collaboration is the way to help.”

“

Business Schools have everything to gain by networking between themselves. People who work in teams and networks ultimately thrive, not just competing between each other.”

“

We know that through collaboration they have everything to gain in networking between themselves. We felt that in terms of competition and less in terms of co-operation.”



“

Business Schools can share the results of their research and collaborate on the results. Sharing and collaboration is the best way they can help. This includes through methods such as course programme and content and sharing the results of research.”

## COMMUNICATING THE WORK OF BUSINESS SCHOOLS

As outlined previously, there is a clear gap in what stakeholders currently know about whether Business Schools have run projects to help reduce poverty. There is also an appetite for Business Schools to promote the work they are currently doing. Almost three quarters (74%) agree that they would like to further promote the projects their Business School has developed to help society (a figure which rises to 83% among Business School professionals).

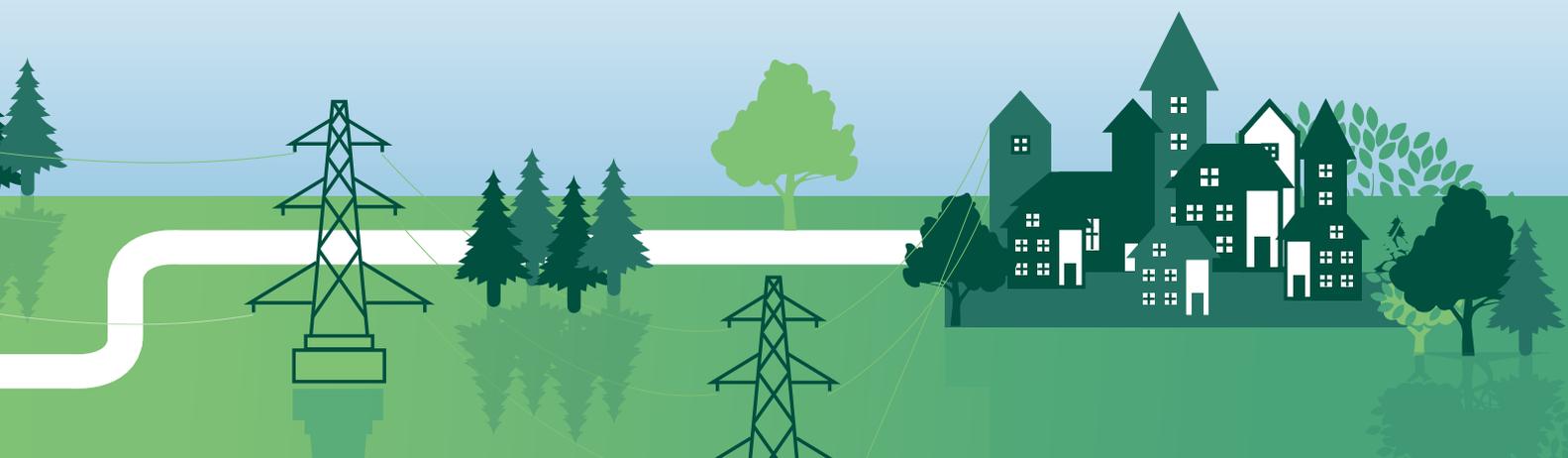
The following quote outlines how many graduates recognise the need of Business Schools to communicate further the work they are doing around poverty, so they can ensure impact is maximised.

“

Business Schools have the capacity to do this by research and letting us know about the results of this research. They should work with Government to do this a little bit more.”

“

Influencing business leaders is a two-way scenario. Business Schools are both influenced by business, but also influence them. There is an interpenetration. However, this varies at a regional level, with some regions working in a more collaborative way than others.”



## PREVALENT ISSUES FACING BUSINESS AND BUSINESS SCHOOLS GOING FORWARDS

Participants were asked to describe what they think are the key issues for Business Schools in the next five years. The most common issues raised are the impact Business Schools have on how businesses work in a sustainable way (64%), and innovating the way in which Business Schools deliver programmes (62%). A significant minority (42%) also mentioned the impact Business Schools have on helping the poorest people in society.

These figures rise among Business School professionals, with 75% mentioning the impact Business Schools have on how businesses work in a sustainable way and 70% saying innovating the way in which Business Schools deliver programmes. This theme was also mentioned during qualitative interviews, with participants talking about the idea of continuous improvement and innovation as being key aspects of a successful organisational mindset.

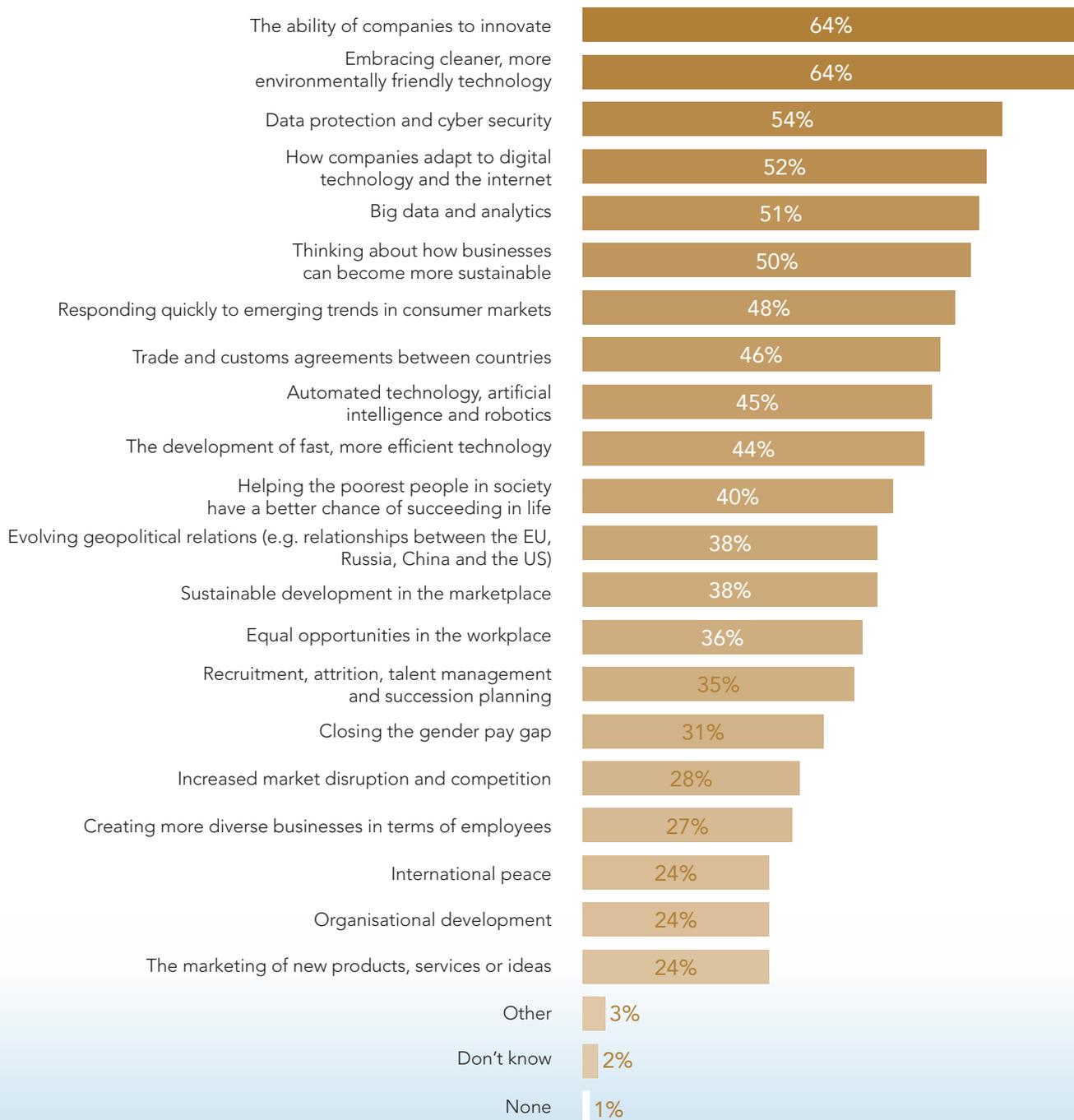
As outlined in the chart on page 17, innovation is also seen to be an issue facing business in the next five years (as cited by 64% of participants). Substantial proportions also mentioned embracing cleaner, more environmentally friendly technology (64%), how business can become more sustainable (50%), both of which are important poverty-related issues. Two in five (40%) also mentioned helping the poorest in society.

“

We used to live in a world where if you had a competitive advantage you would hold onto it. Now if you have a competitive advantage, you lose it in months. More and more we need to adopt a constant evolution mindset, where you're constantly working to improve things. Organisations need to adapt and move on.”



### WHAT DO YOU THINK ARE THE MOST IMPORTANT ISSUES FACING BUSINESS IN THE NEXT FIVE YEARS?



## CONCLUSIONS

A key finding from this study chimes with what at AMBA and BGA we set out to achieve; that of the challenge to raise the profile of the work being conducted on poverty-related issues in Business Schools. It is clear that Business School stakeholders believe that business management education should be firmly part of the task to end poverty, and that there is much more that they can be doing. In fact, the findings suggest that, on average, stakeholders believe they can effectively double the impact they currently have on addressing poverty issues.

There are some good examples of where Schools are making real tangible efforts to help those who are poorer enrol onto business management programmes, support those on lower incomes and produce quality research outputs, along with much more. But there are also many who say they are not aware of activities.

So why aren't poverty-related projects, and their impact, as visible among Business School stakeholders as they might be?

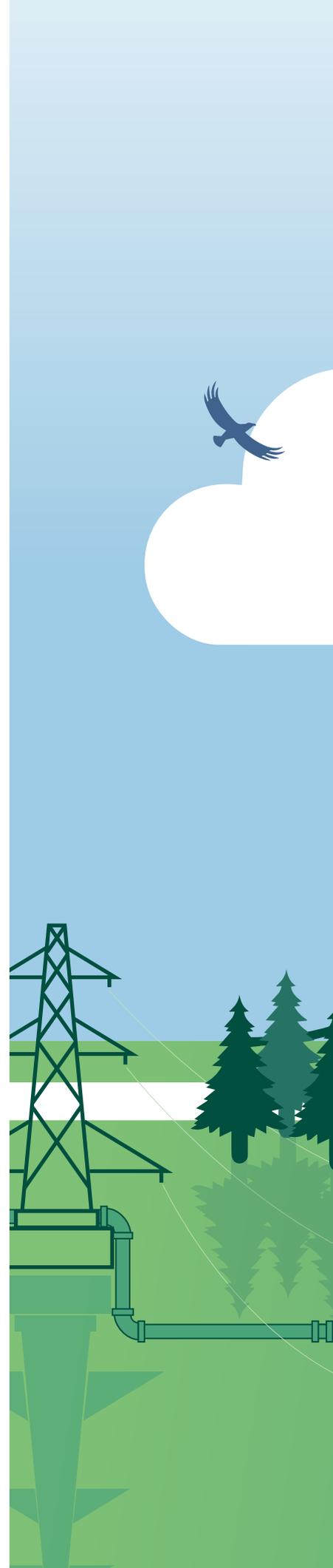
This study reveals a couple of areas which might improve understanding around this. The most striking observation is the lack of awareness within the Business School community about whether related activities are taking place. Many are simply unsure.

There is also a suggestion that effective communication around the activities of Business Schools in relation to this topic may help spike awareness of both these efforts and what impact they are making. Collaboration of Business Schools between both businesses and business policy makers is seen by many to be a source of providing further impact. It is recognised that the efforts of many institutions working together will make a bigger difference.

The ad-hoc nature of many of these projects, and the different ways in which Schools are conducting their poverty-related work, may be part of the strategic and communications challenge in this area. If Schools can clearly align what they are doing with a broader framework, it may help improve visibility.

Finally, the challenge for Business Schools should not be underestimated. Poverty is often the result of systemic social and economic issues which are most likely resolved through incremental efforts. Nevertheless, this study shows that Business Schools are not shying away from facing up to these challenges.

The task now for Business Schools, perhaps, is to more clearly focus on how to face poverty issues in a concerted and impactful way.







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BUSINESS  
GRADUATES  
ASSOCIATION

LEADERS NEVER STOP LEARNING