

Interview of the Month - March 2015

Guest: Prof. Kamel Jedidi

Kamel Jedidi is the John Howard Professor of Business and the Director of the Master of Science in Marketing program at Columbia Business School, New York. He holds a bachelor's degree in Economics from University of Tunis and Master and Ph.D. degrees in Marketing and Statistics from the Wharton School, University of Pennsylvania. Dr. Jedidi has extensively published in leading marketing journals. His research interests include pricing, product positioning, and market segmentation. He was awarded the 1998 IJRM Best Article Award and the Marketing Science Institute 2000 Best Paper Award. He was also finalist for 2009 Paul Green Award for the *Journal of Marketing Research* and for the 2009 Long-term Impact Paper Award for *Marketing/Management Science*. Dr. Jedidi is senior Editor for the *Consumer Needs and Solutions Journal* and serves on the editorial board for the *Journal of Business-to-Business Marketing*, and the *Journal of Classification*. Dr. Jedidi has conducted seminars at several business conferences and universities and also spoken at and consulted with several multinational companies. He is a Founding Trustee of the Marketing Accountability Standards Board (MASB), a Board Member of the Tunisian American Business Council, a member of the Academic Council of ENPC's School of International Management, and an honorary member in TUNESS.

A. Education system

- 1. What are the reforms that you see as priorities in the educational system in Tunisia? What can we learn from the American experience to help achieve these reforms?**

The university system in Tunisia suffers from severe problems stemming from the Ben Ali era, which stressed quantity over quality of education. High school graduates, most often under-prepared for university education, are placed in higher education institutions based not on job market needs, but on enrollment capacity. Too many universities were established around the country without a strategic vision, qualified faculty staffing, and

sufficient resources. An outdated university curriculum that no longer responds to the ever-changing job market needs. A centralized and bureaucratic decision making system, run by the ministry of higher education, which often fails to engage the energy of all the stakeholders (students, faculty, administrators, and employers) in a positive way. Finally, an education system that is not held accountable for its performance (e.g., job placement) and keeps churning graduates who are, most often, not job-ready. It is therefore not surprising that the youth unemployment rate is exceedingly high, especially among university graduates in humanities and social sciences.

The system clearly needs a complete overhaul along the whole value chain, from student admission to job placement. This overhaul is not easy and cannot be done overnight. To succeed, it requires a well-articulated vision for what our education system ought to be, a clear overhaul strategy, and concrete reforms and steps for implementing the strategy. Below I provide few thoughts.

Vision

Our universities should strive to offer the best education to our students, an education that endows them with a solid foundation in reading and math as well as with the skills that are necessary to secure jobs, not only in Tunisia, but globally. To achieve this goal, our educational system should strategically emphasize science, technology, engineering, and mathematics (STEM) education in the curriculum as well as English language education.

Admission Reforms

University student admission is centrally administered by the Ministry of Higher Education. While this system may be efficient in physically placing students in schools and is objective, it is likely that the applicants are not optimally matched with the higher education institution they are assigned to. It is not uncommon for students to do the “re-orientation” after wasting a whole academic year in a discipline they do not want to pursue. For some others, the assignment may not match what they have in mind, which can demotivate them from studying hard and spoil the academic culture. In addition, a good proportion of university applicants are under-prepared for university education. By placing these disqualified applicants, the Ministry is lowering the standards and doing a

big disservice to the higher education institution as well as to the qualified admitted students.

Admission reforms should address these problems by providing more information to university applicants prior to making their school choice. For each higher education institution, the information should include required academic background, career opportunities in its fields of studies, and the institution job-placement record. Reforms should also reconsider the way the admission decision is made. Schools and their faculties should definitely play a role in this regard to make sure that they attract the right qualified students. Because of the under-preparedness issue, schools may be allowed, for example, to run their own admission tests.

Curriculum Reforms

Any curriculum reform should take into account the changing job market reality. Because of technological advances, jobs that entail standard and repetitive tasks are now computerized or performed by robots. Thus new job seekers are expected to do much more than what a robot can do or the routine tasks their predecessors did. In addition, the nature of competition between firms has drastically changed. While product functional superiority may have been a sufficient competitive advantage in the past, most firms now have achieved functional parity. To succeed in the global market, firms need to differentiate themselves through continuous innovation and service. This shift (and more generally the transition to an increasingly more service-oriented economy) has led to working environments that entail different skills from their employees.

What kind of skills are employers looking for? A survey conducted by [The Economist](#), found that the “overwhelming consensus among employers is that too many graduates lack critical-thinking skills and the ability to communicate effectively, solve problems creatively, work collaboratively and adapt to changing priorities. In addition to these “soft skill” deficits, employers are also finding that young people lack the technical, or “hard”, skills associated with specific jobs.”

The skills demanded may seem impossible, but they could be mastered if educational institutions, employers, and students are more engaged with each other. At Columbia Business School, for example, our teaching method emphasizes problem solving and team work through case studies and company projects. We also require students to

undergo a summer internship in a company. Such an internship adds tremendous value to the learning experience by helping the student make connections between theory and practice and by identifying further areas of studies the student needs to pursue to succeed in his or her job.

We have a Career Management Center (CMC) that serves as our conduit to the job market. CMC invites recruiters on campus and reports employment statistics for each field of study. It also coaches students on how to write their CVs and prepare for recruiting interviews.

At our school, practitioners serve as adjunct-faculty or clinical professors, teaching their own courses or co-teaching with full time faculty. Similarly, we have an executive-in-residence program that hosts retired CEOs whose jobs are to mentor and inspire our students.

More importantly, our students are quite engaged in managing their careers and in their life at the school. They seek career guidance from each other's as well as from our extensive alumni network. Our students are engaged in more than 120 student-run organizations, such as the Marketing Association, the Social Entrepreneurship Association, Private Equity & Venture Capital Club, the Dance Club, etc. These clubs conduct several activities, such as conferences and field trips. They also play a significant role in shaping the students communication, organization, and leadership skills.

In designing curriculum reforms in Tunisia, we need to consider the job market needs and how to leverage university-employer relationships to satisfy these needs and to create a learning culture where all the stakeholders are fully engaged.

Governance Reforms

The Ministry of Higher Education runs a system where all the decisions (e.g., recruiting, admission, etc.) are made centrally. While this may seem efficient, it fails to build a sense of ownership and pride for the higher education institutions among its faculty, administrators, and students. It also makes these stakeholders unaccountable for their actions and their performance levels.

In the USA, the department of education in each state sets academic standards and makes sure that those standards are adhered to by schools. Schools make their own

student admission and faculty recruiting decisions. They are accountable for their performance through their job placement statistics, school rankings by ranking agencies, student satisfaction ratings, and certifications by accreditation agencies.

In Tunisia, overhauling the education system requires mobilizing all the energy available. Faculty, administrators, and students should be given some autonomy in managing their institutions while making them accountable for their performance. The role of the ministry is then to define higher education policy and standards, make sure that those standards are followed through, build the higher education infrastructure, and allocate resources among higher education institutions based on performance.

2. Do you see value in online education in Tunisia (e-learning)?

Online education presents an important technological solution to some of the higher education problems in Tunisia. It allows the education system to scale up its benefits to the larger population. The Tunisian system suffers from several resource constraints, the most important of which are qualified faculty and physical space. A standardized curriculum offered online can help ease this faculty constraint and spread consistent instruction at a modest cost. Similarly, a hybrid education system, where half the class is taught online and the other half in-class can ease the physical space constraint.

3. How do you see the educational system in Tunisia over time? How do you value the Tunisian degree relative to international standards?

Tunisia's successful transition to democracy is due in large part to its huge investments in education. In the past, the education system has produced graduates who met and sometime exceeded international education standards. Thus, as a nation with a rich cultural heritage and competent human capital, Tunisia should be able to reform its education system and make it one of the best in the world. But there's a lot of hard work to do.

B. Business in Tunisia

1. What should we do and what are the incentives to keep highly skilled human capital in Tunisia?

We need a system in Tunisia that can absorb the Tunisian competencies abroad. Countries like Chile have understood the importance of repatriating the Chilean competencies abroad and have done well in this regard. In Tunisia, opportunities are opening up in the private sector, where Tunisians competencies living abroad can have jobs that are sufficiently rewarding both professionally and financially. The public sector, however, is quite rigid and is not going to open up soon. The education system, for example, can benefit from Tunisian scholars abroad by, among others, establishing joint appointments with universities abroad, encouraging Tunisian scholars to visit during their sabbatical leaves, offering summer school programs jointly taught by visiting and local faculty, or by encouraging Tunisian scholars to offer online courses.

2. How do you think we could foster innovation and technology in Tunisia?

Tunisia is mostly a consumer of global innovations. Our record is weak in terms of innovations and there's little attempt from our universities and businesses to invest in this domain. Clearly, we need to do much better on this dimension.

We need to foster a sense of entrepreneurship and problem solving among our students, from elementary to higher education.

Faculty should be rewarded for publishing in top academic journals. Tunisian scholars abroad could help tremendously in this regard through mentorship, co-authorship, and joint grant proposals.

Businesses and universities are natural partners for fostering innovation. Universities have skilled faculty and curious students, who constantly need to create ideas and develop them. Businesses need to innovate to sustain their business activities and be competitive. They clearly need to reach out to each other to leverage this mutually beneficial partnership.

3. What are the industries with high added value that should be implemented in Tunisia?

Healthcare is an industry with high added value potential given our geographical location and competency in this domain.

IT is another industry that Tunisia should invest in. We have the competencies and the industry does not require huge investment outlays.

C. Marketing field

1. Do you think the marketing field in Tunisia needs more strategy, modeling or consumer behavior experts?

Many Tunisian entrepreneurs are pre-occupied by how to export their products overseas, but are rarely concerned about how to create successful brands in Tunisia. The immediate question that arises is how an entrepreneur can succeed abroad if he or she cannot do so in the local market.

This inability to create successful brands is not limited to entrepreneurs. For example, some local companies would rather adopt an international brand name than build their own local name. The tourism sector is run as an undifferentiated industry sold to tour operators based on low price. Olive oil is mostly sold as a commodity to Italian companies and others who sell it under their brand names and extract most of the value.

Our executives need to master the art and science of marketing so that they can create successful brands and extract most of the value created. Clearly, some marketing education is required either by taking executive education courses or hiring consulting firms with marketing expertise. Companies could also engage our faculty and students by offering them marketing projects related to brand building or market export strategies.

2. To which extent the lack of data in Tunisia is impeding marketing research at academic and consulting level?

Measurement and data collection are not deeply rooted traditions in Tunisia. But as the management guru, Peter Drucker, once said, “Anything that is not measured is not managed.” By measuring their activities (e.g., sales, market share, awareness, repeat purchase, price, etc.), firms can learn more about their customer behavior and use the insights to craft effective and efficient strategies. Companies can also share the data with academics and doctoral students to study questions of managerial or academic relevance. But this tradition is not common in Tunisia. Perhaps, it is time for companies and universities to cooperate in this win-win area as well.

3. In terms of life cycle, in which stage do you perceive the marketing field in Tunisia? How do you see the future of the marketing field in Tunisia?

At this stage, businesses are pre-occupied mostly about production and logistics. Sooner or later, companies will realize that value creation will stem not from product functionality, but rather on the basis of service and other experiential and psychological (e.g., brand) factors. At that stage, companies will realize the added value potential of marketing and will invest in it.