

# ***Poverty: A Challenge to Business Schools***

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Business schools, particularly in Brazil, have done surprisingly little work on the topic of poverty. This article explores student and faculty awareness regarding this significant issue and assesses the perceived responsibility of elite business schools in Brazil for such a liable exclusion. By way of interviews with students and faculty, and by surveying a number of undergraduate students, the study results present a set of propositions that aims to change the prevalent culture in business schools. A generalization effort should say that most schools in Brazil remain ignorant of the potential of alleviating poverty. B-schools could help if they went to a little beyond the conventional teaching that disregard the essential necessities of the poor as consumers.

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## ***Introduction***

It is astonishing how little attention business schools have given to poverty and low-income consumers. Teaching and research often concentrate on fashionable topics and until recently seldom included the poor. Stirred up by the idea that consumers at the bottom of the pyramid (BOP) can be served profitably (Prahalad and Hammond, 2002; Prahalad, 2005), management practitioners have amplified their working agenda with respect to low-income consumers in many countries. Nevertheless, it has neither nourished the expected change in business teaching nor visibly advanced the idea that business schools are competent to help alleviate poverty or develop strategies to meet the needs of the poor. The probing question is that despite other academic areas, such as Social Service, Economics and Sociology, are placing the study of poverty as among their chief interests, Management education is the most likely to be charged with the omission or neglect of such an important issue. This brings this article to its central concern: To explore the awareness of students and faculty of the issue of poverty and to assess the responsibility of elite business schools in Brazil for such a liable exclusion.

This research assumes at the outset that this omission may have been partly because the poverty is presumably unattractive for business, and partly due to how business schools choose their subject matter today. First, if poverty is not attractive for private section enterprises, then the social, not the economic perspective, may take over. In such an arena,

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business schools, whether in teaching or research, do not have a record of good performance. The facts are that a very large portion of what has been published in the business literature on human welfare seems the most unappreciated (Walsh, Weber, and Margolis, 2003), and articles on corporate strategy, finance, and marketing performance seems most suitable to please the academia.

In turn, it is important to understand how (or why) business schools choose their subject matter. This issue may be equally perplexing. Business education has been charged with several criticisms (Navarro, 2008), and one of them is to keep money on the top of the values hierarchy (Giacalone, and Thompson, 2006), which leaves the poor out of the game. Accepting these two assumptions, business schools can be accused of being incapable of training students to deal with poverty at whatever its manifestations occur the market place.

The cruelty of such a reality is that elite business schools, in which such omissions can be more clearly appraised, draw students mostly from high-income classes, and teach them to do business with their cohorts – their own economic class. Surprisingly, nothing would have been easier for a school in an emerging country, as it is the case of Brazil, than to understand that the priority need of the extreme poor should be first for an educational program (Kotler, Roberto, and Leisner, 2006) or at least an area of focus. Even so, it has not. It is indeed a position that, unfortunately, generates critical consequences for the schools and for the corporations.

Apart from other effects, the income disparity in Brazil causes incredulity and shame. The minimum wage of US\$210.00 dollars per month represents what many poor have to trust will be sufficient for their subsistence. A household that earns a monthly income up to four times the minimum wage is not yet middle class. The complexity of a market such as this raises a key two-layered problem: first, overall national income is extremely skewed in its distribution, then, even at the lowest levels, there is an equally high skew and disparity of income at the BOP levels. The point is that it is extremely difficult for a corporation to conceive a business strategy under these conditions – one spotlights social status, the other exposes heterogeneity. This should be a critical reference in business teaching. Nevertheless, it is not. Truly, because poverty and inequality seem unfit in the usual business schools prescription, which is to fuel the aspiration for money and status (Giacalone, and Thompson, 2006) and that corporations generally attempt no more than to provide goods and to fulfill people's needs and to create wealth (Margolis, 2003).

## ***Method***

The method used in this article comprised three phases. The first phase consisted of exploratory interviews with business students and faculty. Researchers approached them to gather their views on how business schools should handle poverty from the initial steps of introducing the subject into the curricula and to the final steps of developing effective learning. Interviews were conducted with 25 undergraduate students and 14 faculty members of two private business schools in Rio de Janeiro. All interviews lasted approximately 60 minutes and only the interviews with undergraduate students were recorded for transcription. Analysis of data, as well as of the meaning of the information

provided, followed the content analysis guidelines proposed by Bardin (1977). Students and faculty were able to pinpoint several converging routes either to assess their lack of concern or to place poverty as a key topic in their educational endeavors.

The second phase consisted of obtaining short written comments from undergraduate business school students about the issues of the poor that are raised or discussed in business schools. A total of 55 comments between one-half to one-page texts were collected. The third phase used the results of the first and second phases to survey students of a large private business school in Rio de Janeiro among junior and senior students. Juniors or seniors are considered knowledgeable about many topics in management education as they have been required by the Brazilian government to have covered a broad range of basic knowledge based on at least 90 credits in courses such as organizations, human resources, marketing, finance, accounting and operations. The questionnaire consisted of 20 statements to which the students were asked to evaluate on a five point scale from (1) totally disagree to (5) totally agree. The questionnaire was successively pretested with 18 students and the final format was presented to the students in a printed form as they arrived for classes. Faculty agreed to allow the students answer the questionnaire for a few minutes before classes.

A total of 219 surveys were collected. Incomplete or respondents who did not meet the minimum of credits criterion were eliminated from the sample. Also, after reviewing the data, respondents that had an excessive number of answers on the neutral point of the scale ( $n > 8$ ) were eliminated. Based on the testing phase, researchers learned that many students, especially the younger, would check that category more than the advanced students. Therefore, of total of 189 were considered valid for analysis. Of those respondents, 55 percent were male and 45 percent were female; 75.8 percent were aged between 19 and 23 years.

An exploratory factor analysis was performed and the survey items aligned on seven factors. The seven factors captured approximately 67 percent of the variance and researchers considered the clustering sufficiently coherent to guide the analysis and the interpretation of the results. The resulting factors, together with the pertinent statements, are presented in Table 1. Before factor analysis, the statements were submitted to a statistical test to check the significance of either agreement or disagreement with the statements (mean difference with the neutral point, t-test,  $p < 0.05$ ). All hypotheses were confirmed.

## ***Results***

Factor analysis combines the statements in order to provide a high proportion of the concepts combined in a reduced, but significant, scheme. The results presented below follow this factor analysis and are complemented, wherever pertinent, by students remarks obtained from the first and second phase of the research method.

**Table 1**  
**Factors Extracted**

Item	Factor Loading	Item Mean
<b>Factor 1: School propensity to favor high income classes</b>		
1. The most common themes in the Business Administration classes are about companies that are involved with high income groups.	0.619	3.68
2. My school prepares me better for dealing with higher income classes.	0.729	3.91
3. My professors are better prepared to discuss themes about high income classes than themes about low income classes.	0.694	3.33
4. My professors prefer to give examples of companies who target high income classes.	0.763	3.51
<b>Factor 2: Avoidance of low income themes</b>		
1. In my school I learn very little about the low income classes.	0.731	3.62
2. In the classes there are few examples that relate to lower income groups.	0.799	3.52
3. Focusing on low income classes could ruin the prestige of my school.	-0.515	2.10
<b>Factor 3: Social prejudice</b>		
1. Many high income students seem to be uncomfortable with the subject of low income.	0.530	2.74
2. Many high income students feel uncomfortable to be in school with many lower income students.	0.777	2.56
3. The students who attend less prestigious schools tend to be from lower income groups.	0.732	3.21
<b>Factor 4: Student proneness as regards the lower income topic</b>		
1. My professors utilize a sufficient number of cases and exercises to illustrate themes about low income classes.	-0.653	2.62
2. The majority of the students in my school prefer high income over low income themes.	0.517	3.76
3. My colleagues at the university prefer to work in companies that focus on high income classes rather than low income classes.	0.533	3.89
4. The majority of the students at a business school of greater prestige are of higher income classes.	0.359	3.87
<b>Factor 5: Profit potential</b>		
1. If companies decided to produce more goods and services targeted to lower income groups then they would make less profit.	0.775	1.95
2. To target the poorer classes companies have to accept less profit.	0.773	1.92
<b>Factor 6: Loss premise</b>		
1. The poor are not a profitable market for companies.	0.848	1.83
2. The large global companies make more profit from the high income than with low income classes.	0.746	2.34
<b>Factor 7: Job attractiveness</b>		
1. The best jobs in Management are in companies focused on high income classes.	0.894	3.19
2. Companies focused on high income classes pay the best salaries.	0.861	3.39

- a. Extraction Method: Principal Component Analysis.  
b. Rotation Method: Varimax with Kaiser Normalization.

**Factor 1: School propensity to favor high income classes.**

The focus of this factor is on hypothesized preference of elite business school for high income related teaching attitudes. The factor comprises of four statements:

1. *The most common themes in the Business Administration classes are about companies that are involved with high income groups.*
2. *My school prepares me better for dealing with higher income classes.*
3. *My professors are better prepared to discuss themes about high income classes than themes about low income classes.*
4. *My professors prefer to give examples of companies who target high income classes.*

The students mean responses on these four statements reflect their perception that a teaching culture exists that favors an emphasis on high income classes either through theme coverage or through faculty discriminating choices. Apart from other consequences, it leads to a strong propensity to elicit top income classes as a major subject in the classrooms. It forms, therefore, robust deterrents to learning about the poor. A culture of that sort lends no cogent arguments for schools to prove a concern.

Though concern with the poor may eventually be purely social, it may intentionally align with one of the purposes of the Academy of Management, which is to merge economic with social objectives by nourishing the management philosophy with the thoughts of serving public interests (Walsh, Weber, and Margolis, 2003). For Brazil, in particular, a school that endures a teaching culture which attaches a low level of concern for the poor exhibits an alien reality to that of the country as a whole. Nevertheless, some students show a conscientious awareness of the circumstances. "I hear examples of large oil companies, luxury hotels chains and mega-corporations ...it seems that whatever is provided in the classroom is to please the economic class of most students. It is repetitive, always the same corporations, always the same industries."(Gisele). "The examples that are given in the classroom are coherent with my own social class... that reflects the conventional reasoning of those who are top executives in the country." (Michael).

Faculty remarked defensively that teaching materials have not, so far, come into line with the needs of good instruction on the subject. They seem to accept the notion that the published material on the matter has grown, whether in form of published research or in the form of corporate news, and this fact is bound to demand reactions from professors in the near future.

However, there is a clear concern over a school where examples, cases, and teaching materials, as well as students and faculty, bond better with a focus on high income classes or international culture. This will always be in the long run a school unfavorable to a change of culture. Case discussion and culture acquaintance will be a permanent issue. When a higher economic class discusses a business case from a different culture such as of the poor, in the evaluation of events and circumstances, there will emerge arguments that will be culturally tied because the members of the more affluent group have not a proper background of the other culture in which the elements of the case have been collected. They are disconnected from what they realize is a different culture – a culture that the results

show that both students and faculty acknowledge that they do not fully know. If the justification rests primarily on the ignorance of both faculty and students, and not on any other cause beyond undesired discomfort or benign neglect is raised by the next factor.

**Factor 2: Avoidance of low income themes.**

This factor advances the understanding of the previous factor, however from the opposite perspective, that of the avoidance of low income themes. It consists of three statements.

- 1. In my school I learn very little about the low income classes.*
- 2. In the classes there are few examples that relate to lower income groups.*
- 3. Focusing on low income classes could ruin the prestige of my school.*

The respondents agree to the first two statements but disagreed with the third. At the interview stage, one student referred to the subject of low income as superficially treated in school, supporting his argument on the fact that most his classmates were of middle to higher income groups. Another one corroborated by saying that if his classmates were of lower income classes the subject would be treated more comprehensively. However, some do not see a change in the near future. “The examples in class room will be always the same... even if the majority of the students were from lower income strata, this would not change.” (Patrícia). “I think it's good to know as much as possible about different markets, but we have to wait .... Our school is expensive and elitist... it has a history that won't be erased easily; change will only come with a major transformation.”(Juliana). Although the majority is not from lower income ranks, the students tend to disagree with the idea that the dealing with the subject of low income in classrooms would affect negatively the prestige of the school.

Advocates that schools should seriously consider poverty issues, and integrate them into the corporate social responsibility framework, argue they are intimately related. Others disagree saying that the kind of direction, they want the schools to follow, would be utterly different from the corporate social responsibility framework. Schools would do their best to find the proper perspective, which is to be purely business oriented.

In the written part of the qualitative research, many students took the philanthropic perspective. What makes all this confusing is their assumption that to serve low-income consumers is to go beyond economic objectives – is promptly to enter a reality of genuine social responsibility and a reality where profitable products have no pertinence. However valid, this perspective has not been a central concern in business schools, and not for most students in this research.

**Factor 3: Social prejudice.**

This factor explores the bias schools may have toward either the student or the subject matter. It presumes that the presence of either may create an uncomfortable situation. It comprises three statements.

- 1. Many high income students seem to be uncomfortable with the subject of low income.*
- 2. Many high income students feel uncomfortable to be in school with many lower income students.*

*3. The students who attend less prestigious schools tend to be from lower income groups.*

The respondents disagreed with the first two statements and agreed with the third. Although they seem to acknowledge, they would not feel uncomfortable with presence of lower income students in school, at the same time they recognize that schools with less prestige draw students from lower social economic strata. One student said that to be in a school of prestige “fits exactly in our personal challenges of creativity and of to be in a more familiar environment” (Mariana).

Adding the two previous factors to this one allows the imagination to reach the border of a paradox. The presence of poor or of the theme does not make them uncomfortable, although they do not experience either. This could be information from the shadow that the group would rather hold the poor or poverty in the darkness. To genuinely think of the poor as strangers is one half of their appraisal, as said by a knowledgeable author, the other half is to think that the poor may just well be on another planet (Keyfitz, 1992). Although there are those alienated members of the higher classes, there are also those who feel afflicted by the differences in value systems between the poor and the non-poor (Hill, 2002) and that seem to imply that they consider as particularly painful the existence of a class of people which in few, perhaps in many, cases think they would be as well if the poor disappeared (Keyfitz, 1992).

#### **Factor 4: Student proneness as regards the lower income topic.**

This factor reflects a brief inquiry into how students and faculty preferences produce proneness toward a high income business world. The factors comprise four statements:

- 1. My professors utilize a sufficient number of cases and exercises to illustrate themes about low income classes.*
- 2. The majority of the students in my school prefer high income over low income themes.*
- 3. My colleagues at the university prefer to work in companies that focus on high income classes rather than low income classes.*
- 4. The majority of the students at a business school of greater prestige is of higher income classes.*

The respondents agreed with all statements. A candid interpretation places the students as greatly responsible for the focus on higher income classes. One student said: “We have to do group project on restaurant of our choice ... if you ask me if we have selected a restaurant that cater to lower income ranks, the answer is obvious. This gives you an idea that we are not interested in the subject of lower income” (Michael). Another student added that she will look for a more comprehensible knowledge of the lower income population, if she is ever required, professionally, to address this population. However, there are discordant points in what students think what should be enough for their education. Some adhere to the belief that learning from higher classes problems and examples is sufficient, because whatever they learn is equally applicable to any economic class. Even so, others do not. “... if you are going to work with micro credit you have to know your customers much more thoroughly than if you are going to sell luxury cars”. The truth is that if a student has no apprehension of a typical poor consumer, then he or she

cannot perceive deviation from that pattern. Total ignorance hinders the perception of strategic and marketing approaches just as vigorous neglect precludes propensity to serve those of that pattern. From the business perspective, one of the essential requirements is that students recognize, when they see a typical poor consumer on a market scale, that the attractiveness it exposes is indeed the very same symptom he learned to identify when dealing with higher income groups. The significant issue, however, is how to properly identify the needs and wishes of a poor consumer. On this, one faculty member, more knowledgeable about the poor, threatened to bring a poor man into his class so the students could see and understand one!

#### **Factor 5: Profit potential.**

This factor examines the students' concern over the profitability on the low income markets. It consists of two statements:

- 1. If companies decided to produce more goods and services targeted to lower income groups, then they would make less profit.*
- 2. To target the poorer classes companies have to accept less profit.*

The respondents disagreed more with these two statements than any other in the survey. A double edge interpretation admits, on one hand, that there is a profit potential in the lower income end, on the other, that corporations will not target this segment with no other motive than reasonable anticipated profit.

The first edge of the interpretations originates from the fact that in Brazil the low income is by far the most numerous group and, although the per capita consumption is low, this market as a whole can be attractive to some businesses. This follows a pure business perspective which does not perfectly align with the proposition that social dimensions can be seen as opportunities (Bonini, Mendonça e Oppenheim, 2006). It thus follows the description (Larson, 1991) that the poor have the same needs of higher classes and students in the preliminary interviews assumed the same rationale. "I think they have the same dreams of any other person. I hear that they may give up basic necessities to buy a DVD player ... possibly not to feel excluded. In fact, I have no idea what are their immediate necessities."(Gisele). "As their income grows or more credit become available, these trade-offs will also grow". (Cristiane).

The second edge of the interpretation follows the prevalent culture in business schools which places profit at the heart of major subjects. As some new events demand a business interest, it also demands an academic attention which will follow the basic principle. With the advance in research interests and in the opportunity of case studies, that highlights whatever has been ignored about the poor, the inducement may become more noticeable, but as long the core reflects the business culture. That is the case of a recent study of Kodak (Dijkers and Motta, 2007) that points to the character of the new impulse. Pressed by declining profits, due to the migration of middle and upper classes to digital photography, Kodak, for the first time in Brazil, turned to the BOP market. The success of Kodak strategy stirred up the idea that BOP markets can be profitable for large global businesses. Kodak's accomplishments also highlighted that a practical look at these consumers is long overdue, if for no other reason, at least for what low-income consumers offer as new market opportunities. Actually, no cause other than insufficient understanding

of the low-income classes can be attributed to Kodak's reluctance to target low-income consumers for many years. It was an internal obstacle. Nothing before Kodak's success was positively said to answer the objections that low-income consumers would be an attractive market (Dijkers and Motta, 2007).

**Factor 6: Loss premise.**

This factor attempts to see the other side of the coin, that is, if corporations would be losing money when targeting the lower income ranks. For this, there are two statements:

- 1. The poor are not a profitable market for companies.*
- 2. The large global companies make more profit from the high income than with low income classes.*

The strong disagreement with these two gives a coherent account of the questions raised in the previous factor. It firms a strong position espoused by the conventional business teaching. The students seem to have assimilated the lesson. There is no room here to prove or to support an opposite view. Corporations may learn the economic value of this segment from a usual business endeavor, not, for instance, by making philanthropic contributions to benefit members of the low income population (Kotler, Roberto and Leisner, 2006). "I think there is a potential market... they wish products that they cannot afford, but they could otherwise if prices were lower". (Juliana). "I think there is a lot to be explored may be through credit extension, or what not"(Marcelo). "I think many things begin to be done for the poor that were never done before.. Just to give the poor a sentiment of inclusion is by itself a great opportunity". (Marcelo).

It is clear that for the students it seems hard to conceive a business world in which profits are not the core concern, so that shareholders would discourage attempts to serve the poor if profits are not in the heart of any strategy. It is an open case to say that if business schools learn more about these new consumers, it would be an extraordinary achievement of social awareness and a big break for any of them to benefit from the new direction. In turn, they would gradually help businesses gain an amplified territory, in which its members will, in all its deprivations, leave the way open to a great competition for their demands and to see at any moment the production technology be more equally and conveniently distributed between them as consumers.

As profit is put in the core, a deviation from it is considered philanthropy. It is true that a philanthropic view may blur the vision of future managers as to see market opportunities among the poor. Although this is not to the best analysis of the problem, but one which stresses the difficulty to identify market opportunities in lower income markets, it is still one popular among the students. The philanthropic view was considerably mentioned in the written statements by the students, and frequently pointed out by faculty in the interviews. Accordingly, although expected, this position partly contradicts the results of this survey. It might be said that tendency to take the philanthropic perspective results from a contaminated view produced by the ignorance that precludes the identification of profit possibility in the low income markets.

### **Factor 7: Job attractiveness.**

Finally, this factor purpose is to examine and to better understand the effects of the core theme of this article on the job attractiveness. There are two statements:

1. *The best jobs in Management are in companies focused on high income classes.*
2. *Companies focused on high income classes pay the best salaries.*

Students agreed to both statements. From all above considerations, it follows that ignorance, if not disinterest, at the academic level will affect students' job preferences. By self appraisal they feel unprepared for jobs that require working with the low income stratum, albeit the poor being part of their daily life and not of a distant world. But agreeing with both statements above, they may elect jobs at corporations that target higher income classes, at least, under the belief that their jobs are better. As one student says "Students here are much more tuned with the other than with poverty world. They can't say they don't know, it is right here for everyone to see" (Cristiane). When they graduate, they go after the best in the job market, which is not with the lower income segment. The nobility of the job market is not there... If I start a business, I'll most likely avoid the lower income markets."(Rafaela).

This seems to be a general truth. Students from lower social ranks also seem to set their career objectives as much the same as higher social ranks do, in such a manner that it exposes a clear contradiction between their background and their goals. No surprise here, given that business schools do not in the least affirm the idea that they develop a specific interest in students to pursue a management career in business that target the poor. Many students sincerely think they stand to lose it, if they look for a career in such, although a socially desirable, but unfavorable arena. Some say that is a better territory for a politician.

### **Conclusion**

Although the above results are not truly encouraging, there is no apparent argument to reject learning about this new market. Apart from those who would like to hide poverty and not to give them even statistical visibility (Keyfitz, 1992), there are those that may see that a strategic potential in itself can foster discussions around what is the prevalent notion of an attractive business endeavor today. Good business practices often introduce the glamorous, marvelous and seductive business world; nothing about low-income consumers is ever bestowed similar distinction. Business schools have to bear on this great responsibility. The four propositions presented below acknowledge that business schools have to go as deep as the problem demands. On these grounds, then, schools will have more to be distinguished for as far as knowledge is actually advanced. Of course, the next and the great step in solving the poverty question lies on political grounds (Karnani, 2007), and seems wise to realize that business schools are not that sort of organization.

**Proposition 1:** *Business schools should act to make the poverty theme possible, and, by assuming that this new undertaking is in itself distinct, they should also exercise their genuine social and educational responsibility.* Actually, low-income consumers are not what academics explicitly ever address or intend to address. It is certain this argument rests greatly on the assumption that the best business schools draw students from upper

classes whose values hardly ever coincide with those of lower classes. There is of course nothing surprising in the standing of business schools on the subject because, generally charging higher tuition rates (Walsh, Weber e Margolis, 2003, 2003), they induce who hire their graduates to pull back from the underprivileged stratum to turn to the prosperous stratum which is their most imperative preferences. Because of this, it may be said that schools, in general, neglect lower income classes. The lack of interest and of disturbing ignorance found in this research is presumably the result of contemptuous awareness. This assertion is also extended to students, who in a certain measure, seems to be partially dependent on what schools unveils to them.

In addition to this academic disdain, both students and faculty seem to elect the middle and upper classes as a group around which businesses and schools should congregate. This happens to suit their familiarity and creative challenges, as companies choose the same target to suit their invariable profit focus. Furthermore, this can be conveniently sustained by social preferences and business endeavors. It has been noted (Chin, 2001) that most ideas about consumption are wrongly based upon the belief that consumers are at least middle class and many others agree that this popular posture is borne out of facts (Hill, 2002; Slater, 1997).

**Proposition 2:** *Treat poverty issues as a fashionable requirement. Students and faculty seem to surrender to a curriculum based only on fashionable requirements. One student voiced that only student leadership will insert low income consumers into the curricula, but at the same time, he voiced that indifference is a trait of a privileged student population. Therefore, if students are strong stakeholders in elite business schools, and, thus, undoubtedly greatly responsible for subject matter choices, they need some stimulus such as being fashionable to study the poor. A competent Dean may instill in the school the fashionable trend and reconcile his or her endeavor with condition of students as strong stakeholders.*

Yet, the performance of students as stakeholders in business education programs - particularly as the equivalent of a customer - has received an amplified, and sometimes unfavorable, attention in recent years. From a service encounter position, education results from the interaction between the provider and the recipient, rendering the student an important role in the education process (Chung and McLarney, 2000). Since it is inherent in this exchange relationship the provision of values for both parties, the argument may be extended to the reprehensible conclusion that the emphasis on students' satisfaction may result in placing the learning responsibility on faculty rather than on the students themselves (Zell, 2001). Working under the assumption of a market mechanism (Gross and Hogler, 2005) faculty may succumb to the typical market rewards to gain students attentions and enrollment. To succumb to the proper fashion is a case in point here, and, doubtless, a great advantage for a cause such as the one advocated in this research. Still, it has been noted some negative consequences under the customer metaphor. One of these is to have students shopping around for classes and majors and to have faculty laboring to attract and retain students for their courses (Franz, 1998; Chung and McLarney, 2000). As far as this research allows inferring, this would not be so negative if it happens around a meritorious cause and competent faculty and students.

Faculty, in turn, advanced the idea that the lower income themes could get the same academic substantiality if included in the curricula by school authority. This is quite possible in Brazil by either a required or an elective course on the subject, but much harder through dissemination across curricula. It would compare to issues similar to those raised by the attempt to introduce ethics into business education in the United States (Swanson, 2004).

**Proposition 3:** *Business schools should emphasize values and aspirations above the consumption illusion.* Similar proposition has been made that business schools, instead of submitting voluntarily to the prescription of modern society to merely elevate individuals in the consumer hierarchy (Hill, 2002), should go after higher values. The creation and maintenance of a modern consumer culture (Hill, 2002) result, at least partially, from what business schools teach and the corporation put in practice. As a matter of fact, business schools seem to guide every one of its members through the prodigies of the production systems, and mainly through the splendors of consumption. By doing this they prepare each one to equally distribute the consumption illusion. Moreover, if they are unconcerned they may simply promote the prevailing pattern of helping individuals to use goods and services to formulate and display their identities (Slater, 1997).

Although there may have good reasons for students to focus on poor consumers; still more for the corporations, what students ignore of those consumers are surprising and seems partly affected by the consumption illusion. Some students even cited low fare airlines and fast food chains as companies that target the real poor, which are products so improbable to reach that target. Furthermore, some students were not able to list a topic that would be of a concern on a college course to the poor. They often mentioned consumer behavior, but did not go into specifics such as borrowing, banking, promotional flyers, credit cards, housing, transportation, pricing, promotion, community, family structure, health, and savings and others. In turn, faculty suggested very little when asked about which topic could be covered in different courses. They were unimaginative. Unfortunately, distinct realities are found to be quite separated in schools. Only the side of the upper classes is present and the other is still weakened and reduced in classrooms.

The culture of poverty is influenced by consumer culture and many scholars could very clearly benefit from this understanding (Hill, 2002). Research in this direction is, indeed, a potential way to provoke a penetrating effect by which the scholarly community would be competently inspired to the sort it is expected. However, it has been noted that business schools have been critically appraised, whether in the relevance of their teaching products, or in their research, in which is said that practitioners influence academics, but the reversed influence seems weak (Pfeffer and Fong, 2002).

**Proposition 4:** *Students and faculty should taste another reality.* They should grasp what is to be inside it not outside the reality of the poor. To encourage this learning, schools must look into this other reality a little closer, both in general, and in particular. In general, schools should encourage academic research and production of instruction materials, but in particular it should promote experience learning on the subject. Reality is either experienced or not, therefore, whatever is proposed, without a taste of the reality of the poor, still is not the fundamental solution. The absence of this would raise a difficulty about

the consciousness of the poor as a market if business schools, which are widely believed to ignore that market, do not put the students in touch with the new reality in a practical fashion. The minimum condition of such a consciousness would be that the faculty and students captured, in a realistic mode, this new undertaking. And to see in it a something distinct from what they experience today, which is unattractive for those who are quite unable to imagine it.

Finally, to say that these results are not encouraging is definitely a plausible hypothesis. In other words, given the real difference in values, there is, yet, no inducement either to students, or faculty, upon whom schools expect the proper leadership, to accept and adopt changes. In sum, based on the advanced propositions the grounds to be conquered are a long way ahead. To introduce the theme of poverty in a school of a special kind, which keeps its distinctiveness from the reality of the poor and where students and faculty lack experience in this alien reality, will perpetuate and maintain their alienated frame of mind. It should, then be warned, that despite all efforts to give effective guidance and all pains and struggles to change curricula, the new seeds will not fertilize and their courses will be, at best, ineffective information to fulfill the needs of the BOP markets.

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