

Cell Phones in Developing Countries: Can I Get Your Number?

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SUBJECT(S): Management

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

Following this lesson, students will be able to examine the issues of corporate culture and managing in the global environment.

≡ RELATED ARTICLES:

- [“Economic News from Davos, Switzerland: How Much Does that Big Mac Cost?”](#)
- [“Digital Well-Being: Do You Take Your Cell Phone to Bed?”](#)
- [“Business in 3: Cell Phone Forensics, Smart Homes and Wage Bias”](#)
- [“5 Truths About the Sharing Economy”](#)

NBEA Standard(s):

XII. Global Perspective

Achievement Standard: Examine the issues of corporate culture and managing in the global environment.

Common Core Standard(s):

Integrate and evaluate multiple sources of information presented in different media or formats (e.g., visually, quantitatively) as well as in words in order to address a question or solve a problem.

Knowledge@Wharton Article:

- “The Importance of Procurement in a Global Environment”

Other Resources/Materials: Whiteboard, chart paper, markers; photos/ videos:

- Cell phones in Ghana: <http://www.youtube.com/watch?v=bC46vHZTuU0>
- Blackberry in Ghana: <http://www.youtube.com/watch?v=9spmh6O0uWk&feature=related>

Tying It All Together:

Share with students:

Procurement: The acquisition of goods and services.

- When doing business in the global environment, corporations should consider:
- The legal and political environment. Will this business align with the laws of the country? Are there political implications for developing the business in the country?
- The structure of the economy (i.e. market or controlled economy).

a) Market economy: An economic system in which goods and services are driven by consumer wishes such as supply and demand.

b) Controlled economy: An economic system in which prices are guided by state or workers' councils.

- Monetary and financial factors (i.e. inflation). How does the currency of the country impact factors such as cost, wages and taxes?
- The national culture. How will this business fit into the local culture? Who will benefit from this venture? How will local people interpret the application of this business?

Demonstrate. Have students view photos from Ghana, including the Accra market and local billboards of ads for cell phones.

In Ghana, cell phones are inexpensive and relatively easy to purchase. With about US\$20 (30 Ghanaian Cedi), you can purchase a cell phone with a week's worth of talk time.

While it can be interesting to view a comparatively traditional society with uber-modern amenities such as cellular phones, the benefits to citizens of the country are enormous: in developing countries, as is the case in the United States, cell phones serve as a means of communicating and connecting with family. With the average Ghanaian work day lasting approximately 11 hours, cell phones allow citizens to communicate with work, family and friends without the constraints of land lines.

Activity:

Managers of global businesses must carefully consider how their products or services may be received in new environments. With this in mind, have students generate a list of advantages and disadvantages of cell phone use in developing countries, and how that may differ from usage in their home countries. A sample chart is given here:

Pros

- Connects families.
- Drives interactions among people in very large cities.
- Consumers know exactly what they are spending for the service – no “surprise” bills or charges.

Cons

- Can be expensive for the very poor.
- Phone numbers change often.
- Most plans require consumers to purchase phone minutes up front, so if they run out they must return to a center or kiosk to purchase more minutes, which can be time consuming and expensive.

– Since many accounts are not linked to a billing address, lost phones mean lost money and lost communication.

Discuss: How is this different from cell phone use in the United States? Is this system more effective, less effective, or similarly effective as the system in the U.S.? Think critically to justify your answer.

Practice Outside of the Classroom: Have students look up commercials for phone companies outside the U.S. What did they discover? How do companies market their services differently?

What Worked and What I Would Do Differently: In order for students to have time to complete the assignment, the key terms may need to be shortened.

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