Management Education: Needs of Business Practice A South African Perspective

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ABSTRACT

One of the most distressing problems confronting South Africa is a structural shortage of core managerial competencies on the one hand, and an increasing oversupply of unskilled and semi-ckilled human resources on the other hand. It is often asserted that needs/requirements of business practice are totally at variance with the nature and content of Business Management syllabi. This assertion leads to the question of which subject disciplines, skills and characteristics graduates should possess to meet the requirements of business practice. The prime focus of this paper, which is a follow-up of pilot study, is on the findings of a national empirical survey (493 respondents) aimed at determining the knowledge and skills required by Business Management graduates in South Africa. The most outstanding findings were the importance of a wide variety of subject disciplines; the necessity of a broad skill-based education; and the need for a co-operative education system.

ABSTRAK

Salah satu masalah yang kritikal yang dihadapi Afrika Selatan ialah kekurangan kemahiran pengurusan dan pertambahan bekalan tenaga kerja yang kurang mahir dan separuh mahir. Keperluan amalan perniagaan kadang-kadang bertentangan secara total dengan kandungan silibus pengurusan perniagaan. Penekanan ini membawa kepada persoalan berhubung dengan disiplin subjek, kemahiran dan ciri-ciri para graduan yang manakah yang perlu ada bagi memenuhi keperluan amalan perniagaan. Fokus utama kertas ini adalah terhadap hasil kajian survei (493 respondens) yang bertujuan untuk menentukan pengetahuan dan kemahiran yang diperlukan oleh para graduan pengurusan perniagaan di Afrika Selatan. Antara penemuan utama kajian ini ialah pentingnya disiplin subjek yang luas dan pelbagai, keperluan pendidikan yang berasaskan kemahiran yang luas dan keperluan sistem pendidikan kooperatif.

INTRODUCTION AND PROBLEM STATEMENT

Following the events of February 2, 1990, when FW de Klerk initiated the steps towards a negoriated transition for a new political system, or a "new South Africa" as it is called, South Africa has now attained a democratic government, a two-house legislature, a bill of rights, and is following a pragmatic economic policy. For the first time in many years, South Africa is experiencing a modest per capita growth rate of approximately 3.75 per cent per annum (Sanlam 1996). Despite this euphoria, the disillusioning reality is that political democratisation does not eradicate poverty. The political struggle is won but the economic struggle is far from over. The enemies is the real struggle are poverty, illiteracy, unemployment, unequal distribution of income and wealth, and the legacies of past policies. Besides the installation of a non-racial, non-sexist, democratic government, the most important factors contributing to both socio-political stability and sustained economic growth are the education, development and optimum utilisation of human resources.

For the political dispensation to succeed it is imperative that the economic growth rate be restored, thereby creating greater wealth. This will place greater demands on technological skills and managerial expertise, in short, on high-level human resources. South Africa urgently needs a swift "change of gears" from a rigid focus on the political struggle to an approach which would give more attention to social and economic issues. The socioeconomic disparities must be corrected in tandem with education so as to achieve optimum performance from scholars, students and workers. This objective is attainable through the Reconstruction and Development Programme with the proviso, of course, that the programme is managed by knowledgeable and competent people. It is estimated that South Africa requires a growth rate in excess of six per cent per annum to address unemployment and poverty and even with the help of foreign capital, such a growth rate cannot be sustained due to the shortage of skilled human recources (Barker 1992).

In South Africa, there is general consensus amongst experts that apart from political considerations, the economic development and productivity growth of the country is being jeopardised by the grave shortage of skilled and managerial high-level human resources, on the one hand, and an increasing oversupply of unskilled and semi-skilled human resources, on the other hand (NMC 1992). Current conservative estimates are that there will be a shortage of more than 210,000 managers and approximately 200,000 technically skilled people by the year 2000. This demand is against an estimated maximum supply of approximately 42,000 candidates from the white population group for managerial positions. In addressing this bottleneck, it is imperative that the national economic framework contain a balance between reviving economic growth while simultaneously improving the distributive equity.

A concern particular to South Africa that cannot be repudiated is the dire need for proficient leaders in numerous fields. In order to restore economic growth the planning for the competency gap and the human resources surplus should be done with caution. This proficiency is to be found in the attainment of intellectual development, including the ability to handle knowledge and to think creatively. Concerning the availability of an adequate, proficient and dynamic management corps as a prerequisite for economic development, productivity growth and the creation of wealth, the expression: "Without management the resources of production remain resources and never become production" is significant. Consequently, it is evident that the economic performance of any country is directly linked in particular to the level of education. Furthermore, the base from which to create such a vibrant economy and also from which to transform higher education, and in particular, management education, is within the broader transition of South Africa to democracy, including the interlocking socio-economic, political and educational components.

Pressure on skilled human resources is further exacerbated by South Africa's incoporation in to the international economy. To become globally competitive, cognisance will have to be taken of computer-led technologies and the employment of more educated human resources in a more participatory form of work organisation which includes teamwork, multi-skilling, quality circles and flattened management structures. The continuous deployment of new knowledge, participatory work and flexibility is characteristic of the new forms of organisation for the next millennium. The new division of human resources is typified by multi-skills and greater intergration of enterprise functions. This new trend most likely justifies the necessity for broad, generic and transferable skills enabling human resources at all levels to deal flexibly with varied problems, tasks and new technologies and to equip them for unpredictable career paths and changes in employment patterns.

Against the background of the structural imbalance and bottlenecks in the field of high-level core managerial competencies, rational decisions need to be taken on the academic route which Business Management at South African universities should follow. Business Management as an academic discipline and the creation of wealth are related to each other, this science being *inter alia* concerned with a study, especially in the free enterprise system, of how business enterprises can best be managed towards achieving their objectives. As a normative and applied science, Business Management is directly related to wealth creation and the supply of high-level human resources and knowledgeable people. With high-level human resources representing the top stratum of a country's labour force, it is the primary task of tertiary educational institutions to educate this group and to see to their retraining. Tertiary educational institutions cannot escape their responsibility

to deliver appropriately educated business leaders who can through their intellectual skills and community-sensitive values lead future transformation processes.

The requirement implies, inter alia, that Busineess Management as a science must assess on a continuous basis the requirements of scientific practice as well as the needs of business practice. It is often asserted that a wide disparity exists between the needs of business practice and the nature and content of curricula offered at universities. Arising from this paradox, the real question is what combinations of subject disciplines, skills and characteristics is business practice seeking in graduates in the field of Business Management. A pilot study which can vassed the opinions of employers in the Eastern Cape Province of South Africa, was done in 1995 (Bosch, du Plessis, Tait and Venter 1995). Analogous studies have been done by Pickle (1989), Hofmeyr (1990), Geber (1992), Rollins and Fruge (1992) and Whetten and Cameron (1995). Recent studies focusing on the perception and needs of students and employers with regard to management training in South Africa were undertaken by Slabbert (1988) and Myburgh (1992). Although not specifically aimed at Business Management, comparable studies on the needs of employers of graduates were done in a limited format by Kedian and Thurlow (1992) and Lund (1993).

It was Socrates who said *inter alia* that before addressing a topic, it is important to state clearly what will be discussed. In accordance with this statement, attention is first shifted to an overview of previous research findings pertaining to management skills. Thereafter the focus of this paper is directed towards reporting on the findings of a national empirical investigation as to the prerequisites and needs of graduates in Business Management in South Africa. This section reports on four sets of findings, namely the relative importance of various subject disciplines, the relative important of management skills and characteristics and the contribution of university tuition to the development of management abilities and findings on co-operative education. Finally the conclusions are presented.

PREVIOUS RESEARCH FINDINGS PERTAINING TO MANAGEMENT SKILLS

The purpose of this section is not to present a comprehensive discussion of the research findings on the required attributes and skills of effective management, but rather to give a brief overview of the results of previous research findings in this area. This will enhance the perspectives of the reader on the range of skills and characteristics as required by business practice. These research findings are not directly comparable due to the difference in research strategies. The findings of a selected sample of researchers in this regard will be reported:

- Cameron and Tschirhart (1988)
- Hofmeyr (1990)
- Bosch, du Plessis, Tait and Venter. Some of the findings of the pilot study (1995) will be reported with the empirical findings of this national survey.
- Wheelen, Michaels and Hunger (1991)
- Whetten and Cameron (1995)

CAMERON AND TSCHIRHART'S (1988) FINDINGS

To illustrate the co-existence of a variety of skills, research was done by Cameron and Tschirhart (1988), as cited by Whetten and Cameron (1995), who assessed the skill performance of over 500 mid-level and upper-middle managers in about 150 enterprises in the USA. They reported that skills could be sorted into four main clusters namely:

- one cluster representing skills focused on participative and human relations, for example, supportive communication and teambuilding;
- another cluster focused on competitiveness and control, for example, assertiveness, power and influence skills;
- the third cluster centred around maintaining order and rationality, for example, managing time and rational decision making; while
- the last cluster highlighted innovativences and entrepreneurship such as creative problem solving.

The following inferences can be drawn from Cameron and Tschirhart's research findings to indicate that effective managers:

- are required to *display paradoxical skills*. In other words, most effective managers are both nurturing and competitive as well as participative and hard-driving. They are able to be flexible and creative while also being controlled, stable and rational.
- master diverse and seemingly contradictory skills.
- require *interrelated and overlapping skills*. No one skill or set of skills is performed independently of others.

HOFMEYR'S (1990) FINDINGS

Specific reference must be made to the study by Hofmeyr (1990) from which certain conclusions pertaining to management education in South Africa can be drawn. Hofmeyr surveyed a sample of 240 middle managers working in a cross section of functions and industries throughout South Africa. The focus of the study was to determine the major challenges faced by management in South Africa during the early 1990s. Included in this study was a question inquiring which skills, knowledge and attitudes would be required for effective management. The results are shown in Frame 1.

| Skills | Knowledge | Attitudes |
|----------------------------|------------------------|-------------------------------------|
| "People skills" | Financial management | Willingness to change/ |
| Negotiating skills | Broad general | innovativeness |
| Human relations/ | grounding in | Vision/faith in the future/optimism |
| interpersonal skills | business | Move away from discrimination |
| Industrial relation skills | Knowledge of different | and racial prejudice |
| Marketing skills | cultures | Open-mindedness |
| Strategic planning skills | Technical knowledge | Need for entrepreneurial spirit |
| Financial management | Political awareness | Development of a sense of "social |
| skills | Micro and macro | responsibility" |
| Analytical skills | economics | 1 |
| Technical skills | | |

FRAME 1. Most important skills, knowledge and attitudes of effective South African managers

The most relevant and prominent findings are the following:

- Some of the basic knowledge in the areas of financing, accounting, marketing human resource management, information technology, computer literacy, participative management and entrepreneurship should form the basis of all management education.
- Important skills are especially people, human relations and negotiation skills.
- The most important challenges unique to South Africa are: people, negotiating and interpersonal skills; knowledge of different cultures and political awareness; and a paradigm shift in most of the attitudinal attributes as shown in Frame 1.

WHEELEN, MICHAELS AND HUNGER'S (1991) FINDINGS

Based on the seminal work of Katz (1955: 33-24) who suggested that effective management depends on a proper mix of three basic skills: technical, human and conceptual, Wheelen, Michaels and Hunger (1991) found empirical support for Katz's conclusion regarding the different skill mix needed at the different organisational levels. The well-known depiction of the optimal skill mix by hierarchical level is presented in the Frame 2 below.

FRAME 2: Optimal skill mix of a manager by hierarchical level

| | Technical | Human | Conceptual |
|------------------------|-----------|-------|------------|
| Top Management | 18.6% | 33.0% | 48.4% |
| Middle Management | 32.3% | 41.3% | 26.4% |
| First Line Supervision | 54.6% | 31.3% | 14.1% |

Source: Adapted from Hunger & Wheelan (1993: 45)

- *Technical skills* pertain to being operationally efficient. Techniques, technologies and quality assurance procedures are of importance and are focused particularly on the first line supervisory level.
- *Human skills* are relevant to how something is done and focus on working with people. These skills comprise one's ability to work with others in the achievement of goals.
- Conceptual skills have a bearing on why something is done and on one's holistic view of the firm. Such skills are considered important for top management when setting missions, objectives and development programmes.

WHETTEN AND CAMERON'S (1995) FINDINGS

In an attempt to identify what attributes, skills and characteristics comprise effective management, Whetten and Cameron (1195) undertook an invetigation in which they identified and interviewed individuals who were rated as highly effective managers in their own enterprises. Based on the findings of this investigation another study of 402 highly effective managers, who were identified by their peers and superiors in the previous study's sample of enterprises, were interviewed to determine what made these managers successful.

The research findings produced about sixty skills or characteristic of effective managers. The most frequently cited skills of effective managers are listed in Frame 3.

FRAME 3. Most frequently cited skills of effective managers

- Verbal communication
- Managing time and stress
- Managing individual decisions
- Recognising, defining and solving problems
- Motivating and influencing others
- Delegating
- Setting goals and articulating a vision
- Self-awareness
- Team building
- Managing conflict

According to Whetten and Cameron three notable characteristics are typical of most of the skills associated with managerial effectiveness. The skills are behavioural and consist of an identifiable set of actions performed, leading to specific results. In this instance skills are not classified as personality attributes or stylistic tendencies. Therefore, by implication,

current levels of performance can be improved as individuals are able to learn how to perform these actions. An important observation of the skills as listed in Table 3, is that are all behavioural skills. Secondly, skills seem, in several cases,to be contradictory or paradoxical. The mastery of diverse and seemingly contradictory skills is associated with effective management. A variety of skills are present as they are neither all soft and humanistic in orientation nor all hard-driving and directive. They are also orientated toward both teamwork and interpersonal relations as well as individualism and entrepreneurship. Thirdly, critical skill are interrelated and overlapping. Effective managers consequently tend to develop a constellation of skills that overlap and support one another and that allow flexibility in managing diverse situations under conditions of "lifelong learning". These learning opportunities are critical to survival in the new knowledge-based industries and societies. Successful manager's will be those who are able to prepare their human resources to accept the need for change, to assist them in understanding the new approach, to obtain their commitment to implement the proposal, to manage the transition period effectively and to institutionalise the new approach. As the expression goes, "Good ideas are not in scarce supply. What is rare is the ability to translate a good idea into accepted practice." In addition to the theoretical knowledge gained, successful skill implementation is an essential and indispensable factor in effective management practice.

Finally, it can be stated that effective managers develop a constellation of skills that overlap and support one another and that allow flexibility in managing diverse situations under conditions of "lifelong learning". Successful management is thus not simply exhibiting a checklist of sequential behaviours. The development of highly competent management skills is very difficult and specialised as they are linked to a more complex knowledge base than other types of skills (such as technical skills) and are inherently connected to interaction with other individuals who are unique and often unpredictable. On the other hand, the common denominator of all skills is the potential for improvement through practice. Practical application is thus vital in developing management skills. However, practice without the necessary conceptual knowledge is sterile and ignores the need for flexibility and adaptation to different situations. To sum up, development in skill competency is inherently linked to both conceptual learning and behavioural practice.

EMPIRICAL FINDINGS ON THE EDUCATIONAL NEEDS IN BUSINESS MANAGEMENT

OBJECTIVES AND HYPOTHESIS

Departing from the hypothesis that a wide disparity exists between the needs of business practice and the nature and contents of structures and curricula of Business Management as lectured at universities, the *primary objective* of this national (RSA) research project was to conduct an in-dept analysis into the prerequisities and educational needs of graduates in Business Management. This objective, as it will become clear, directly links up with the unbreakable bond which exists between the science and practice of Business Management.

As a secondary objective can be stated the desire to canvass the opinios of the respondents on the usefulness and viability of co-operative education as a strategy to rectify current potential weakness of management education at a university level.

RESEARCH METHODOLOGY

SELECTION OF THE SAMPLE

In an effort to achieve an objective examination and assessment of the prerequisites and educational needs of graduates in Business Management, as well as their opinions on co-operative education, a national empirical investigation was performed by means of a postal survey using a structured questionnaire. For the purpose of the survey, use was made of the Human Sciences Research Council's (Pretoria, South Africa) register of graduates in Business Management.

From a total population of 25 872 graduates in Business Management a statified random sample of 2 000 graduates was drawn. Nintey five questionnaires were returned by the Post Office (address insufficient) which reduced the sample to 1905.

STRUCTURE AND RELIABILITY OF THE QUESTIONNAIRE

A structured postal questionnaire was used, which contained three sections. The questionnarie was subjected to testing in a pilot study (Bosch, du Plessisi, Tait and Venter 1995). Section A of the questionnaire dealt with opinions relating to educational needs in Business Management, consisting of there questions. Section B focused on co-operative education while Section C dealt with biographical information of respondents.

The majority of the questions relating to the educational needs in Business Management (section A and B) were phrased as statements with the possible response continuum linked to a seven-point Likert scale-style, requesting the respondents to indicate one of seven possible reactions to each statement (1 = not applicable, 7 = very important/complete consensus). In a space provided, respondents were also invited to make additional written comments on each question. An exceptionally good response to this invitation was obtained and some of these opinions are also reported.

The noticeable advantage of the *modus operandi* as described is its simplicity and directness, leading to an easy understanding by the respondents.

Because the statements posed on educational needs in Business Management were very direct and straightforward, seeking only factual information without involving aspirational and motivational issues, significant distortions in responses are considered unlikely.

The BMDP Statistical Programmes (BMDP Statistical Software 1993) was used to calculate mean values, standard deviations and rankings. Descripitive statistics are reported and the rankings were determined by means of summary statistics.

To verify the consistency of the interim reliability of the questionnaire, Cronbach's standardised Alpha reliability coefficients were calculated. The following coefficients were found: for the items relating to the relative importance of subject disciplines 0.9390 and those pertaining to the skills and characteristics which graduates in Business Management should possess 0.9669, and the role of university tuition 0.8537. Reliability coefficients lower than 0.60 are deemed to be questionable, those close to 0.70 as acceptable and coefficients larger than 0.80 as good (Sekaran 1992). Therefore, the interim reliability of the measures used in this study can be regarded as good.

EXTENT OF THE RESPONSE

The mailing of questionnaires took place on 30 September 1995 and reminder questionnaires were sent on 29 January 1996. In total 505 questionnaires were returned of which 493 were usable for further analysis. The response rate of 26.51 per cent (505 out of 1 905) can be regarded as satisfactory for South Africa, taking the length of the questionnaire into consideration. In addition to the usable questionnaires, numerous opinions, personal experiences and views on co-operative education were received.

FINDINGS

BIOGRAPHICAL INFORMATION OF RESPONDENTS

Due to limitations of space, the biographical information of all the respondents is not reported in full by means of tables. Pertinent is the following: A substantial number of the respondents were employed by firms in the private sector (N=220 or 46.5 per cent) or self-employed in their own business (N=85 or 18 per cent). The average number of years of business experience of the respondents is fifteen years (range = 45 years). As many as 121 respondents (27.2 percent) had business experience in excess of 21 years. The most common academic degree which the respondents had obtained was the Baccalaureus Commercii (33.6 per cent; N=177) and Master's degrees in Business Management (26.4 per cent; N=128). A total of 48.2 per cent (N=193) of the respondents had graduated since 1987, thereby reflecting current perspectives on the educational needs in Business Management.

RELATIVE IMPORTANCE OF SUBJECT DISCIPLINES

A total of forty-three subject disciplines which are generally accepted as relevant background knowledge for managing a business concern were identified and listed in the questionnaire. On the basis of their practical experience, the respondents were requested to express their opinios on the relative importance of each subject discipline by allocating an assessment value out of seven on the Likert scale, as well as an indication of the required level (study year) of study for the listed subject disciplines. The relative importance of the subject disciplines was interpreted as follows: 1 = not applicable to 7 = extremely important. The study year is indicated by 0 = not applicable; 1 = first year, etc.

The responses to all questions phrased according to the Likert sevenpoint scale were transformed into mean and standard deviation values. A further linear transfromation was performed to map the seven-point scale to a percentage, i.e. 1 = 0 per cent;; 4 = 50 per cent;; 7 = 100 per cent. Table 1 summarises the ranking of the relative importance of the various subject disciplines according to mean values and percentages. From Table 1, (column one) it is clear that Business Management as a generic subject discipline reigns supreme by obtaining the highest mean assessment score of 6.3906. A percentage-wise interpretation reveals that respondents assigned a relative importance rating of 89.94 per cent to Business Management and indicated that this subject should be taken to the third-year level. Technically speaking Business Management includes all the other business functions such as Strategic Management, Administration/Information Management, Investment Management, Public Relations, Financial Management, Marketing Management, Purchasing and Operations Management and the Management of Human Resources.

Financial Management obtained the second highest ranking with a mean score of 6.3849, implying an 89.75 per cent rating of relative importance. The relative importance of Accounting (ranked 6th) cannot be questioned and was verified by a mean score of 5.6673 (a rating of 77.79 per cent).

Also indicated in Table 1, column two, is the ranking of the pilot study (N = 376). The respondents of both surveys were subjected to the same questions. This allows a superficial comparison. However, no inferential statistics were calculated to establish significant differences between the group of respondents. By comparing the results of the pilot study (1995) with the 1996 survey, it is evident that Cost and Management Accounting as well as Labour/Industrial Law are deemed more important than before (now ranked 7th and 8th in contrast to 13th and 15th for the pilot study). Particularly noteworthy in the rangkings is the lower relative importance assigned to Investment Management and Small Business Management by the national respondents (now ranked 11th and 12th), while both were ranked 7th in the pilot study. Equally noteworthy are the rankings given to Economics (ranked 13th) and Computer Science (ranked 15th).

TABLE 1. Relative importance of various subject disciplines and the levels of study (N = 493)

| Ranking | | Subject Disciplines | Percentage (%) | Average | Standard deviation | Level of study (years) | | |
|----------------|-------------------|---|----------------|---------|--------------------|------------------------|--------------------|--|
| 1996 Survey | 1995 Pilot Stu | y | | | | Average | Standard deviation | |
| 1 | 2 | Business Management (Overall relative importance) | 89.84 | 6.3906 | 0.9148 | 2.6228 | 0.6846 | |
| 2 | 1 | Financial Management | 89.75 | 6.3849 | 0.8382 | 2.6218 | 0.6140 | |
| 3 | 3 | General Strategic Management | 84.29 | 6.0573 | 1.1686 | 2.4338 | 0.7504 | |
| 4 | 4 | Management of Human Resources | 80.33 | 5.8197 | 1.2411 | 2.1871 | 0.8024 | |
| 5 | 5 | Marketing Management and Research | 78.31 | 5.6986 | 1.1494 | 2.2516 | 0.7515 | |
| 6 | 6 | Accounting | 77.79 | 5.6673 | 1.1752 | 2.1517 | 0.7938 | |
| 7 | 13 | Cost and Management Accounting | 73.53 | 5.4119 | 1.3865 | 2.0642 | 0.8157 | |
| 8 | 15 | Labour law / Industrial law | 71.38 | 5.2828 | 1.3737 | 1.8463 | 0.8228 | |
| 9 | 10 | Adminstration / Information Management | 71.25 | 5.2752 | 1.2596 | 1.8970 | 0.7635 | |
| 10 | 12 | Operational (production) Management | 70.85 | 5.2510 | 1.2950 | 1.9615 | 0.7509 | |
| 11 | 7 | Investment Management | 70.57 | 5.2341 | 1.3313 | 2.0065 | 0.8317 | |
| 12 | 7 | Small Business Management | 70.55 | 5.2331 | 1.4181 | 1.8946 | 0.8583 | |
| 13 | 9 | Economics (General relative importance) | 68.14 | 5.0881 | 1.3096 | 1.8747 | 0.7541 | |
| 14 | 18 | Commercial Law / Company Law | 66.80 | 5.0081 | 1.2687 | 1.8166 | 0.7710 | |
| 15 | 11 | Computer Science | 65.75 | 4.9448 | 1.6040 | 1.7060 | 0.9120 | |
| 16 | 14 | International Trade and Finance | 64.77 | 4.8864 | 1.4365 | 1.7931 | 0.8393 | |
| 17 | 17 | Purchasing and Materials Management | 63.46 | 4.8078 | 1.3151 | 1.6987 | 0.7887 | |
| 18 | 16 | Public Relations | 63.33 | 4.8000 | 1.4037 | 1.5879 | 0.8517 | |
| 19 | 22 | English | 60.57 | 4.6339 | 1.9884 | 1.0216 | 0.9464 | |

TABLE 1. (Cont.)

| Ranking | | Subject Disciplines | Percentage (%) | Average | Standard deviation | Level of | study (years) |
|----------------|--------------------|---|----------------|---------|-----------------------|----------|--------------------|
| 1996 Survey | 1995 Pilot Stud | ly | | | deviation | Average | Standard deviation |
| 20 | 19 | Industrial and Organisational Psychology | 60.37 | 4.6222 | 1.4058 | 1.6013 | 0.8039 |
| 21 | 24 | Labour Economics | 58.95 | 4.5372 | 1.3080 | 1.4664 | 0.7294 |
| 22 | 20 | Money and Banking | 58.39 | 4.5031 | 1.4919 | 1.5272 | 0.8153 |
| 23 | 23 | General Economic Theory | 57.43 | 4.4456 | 1.4042 | 1.3927 | 0.6989 |
| 24 | 21 | Statistics | 56.07 | 4.3640 | 1.4691 | 1.3455 | 0.7382 |
| 25 | 28 | Auditing | 53.80 | 4.2279 | 1.6441 | 1.4685 | 0.9122 |
| 26 | 25 | Development Economics | 53.48 | 4.2087 | 1.4588 | 1.3961 | 0.8368 |
| 27 | 29 | Econometrics | 49.61 | 3.9768 | 1.3877 | 1.2594 | 0.7640 |
| 28 | 26 | Mathematics | 49.55 | 3.9733 | 1.7508 | 1.0454 | 0.8401 |
| 29 | 27 | Government Finance | 48.80 | 3.9277 | 1.5647 | 1.2370 | 0.8234 |
| 30 | 30 | An African language | 45.72 | 3.7433 | 1.8913 | 0.9847 | 0.8544 |
| 31 | 33 | Public Administration | 36.56 | 3.1938 | 1.6185 | 0.8696 | 0.8141 |
| 32 | 31 | Afrikaans | 34.61 | 3.0768 | 1.8091 | 0.5354 | 0.7392 |
| 33 | 32 . | Psychology | 33.75 | 3.0247 | 1.5754 | 0.8239 | 0.8148 |
| 34 | 37 | Economic History | 31.96 | 2.9177 | 1.4176 | 0.7882 | 0.6353 |
| 35 | 38 | Contruction Management (Building Sciences | s) 31.32 | 2.8789 | 1.5705 | 0.7188 | 0.8118 |
| 36 | 36 | Futurology | 27.65 | 2.6590 | 1.6343 | 0.6093 | 0.8279 |
| 37 | 34 | Sociology | 27.30 | 2.6377 | 1.5376 | 0.5877 | 0.7300 |
| 38 | 39 | Roman-Dutch Law | 26.86 | 2.6116 | 1.5755 | 0.6471 | 0.7604 |
| 40 | 41 | Philosophy | 21.92 | 2.3155 | 1.4293 | 0.4167 | 0.6577 |
| 41 | 40 | Ethnology | 21.14 | 2.2683 | 1.4361 | 0.4410 | 0.6558 |
| 42 | 42 | Geography | 18.52 | 2.1109 | 1.3483 | 0.3063 | 0.5507 |
| 43 | 43 | History | 15.26 | 1.9156 | 1.2298 | 0.2249 | 0.4947 |

Some law subjects (Table 1, column one) feature in rankings 8 and 14, whilst Industrial and Organisational Psychology obtained the twentieth ranking. Languages such as English drew a firm relative importance rating of 4.6339 (ranked 19th) with African languages (Xhosa and Afrikaans) furthre down in Subjects which should be taken up to the third year included Business Management, comprising Financial Management, General/Strategic Management, Human Resources Management, Marketing Management and Research. The respondents also indicated that more than two years of study are required for Accounting, Cost Accounting and Management Accounting.

Further analysis of the mean scores of the subject disciplines shows that as many as 26 of the 43 listed subject disciplines obtained a relative importance mean rating of 4.00 and more, i.e. percentage-wise a greater than 50 per cent relative importance score. These statistics verify the general opinion that a wide variety of subject disciplines are relevant to serve as holistic background knowledge for the wide involvement of practising managers. This finding also underscores the paradigm that university education should contribute to the widening of a student's cultural and intellectual horizons, educating them to think holistically and become independent self-sufficient persons.

RELATIVE IMPORTANCE OF MANAGEMENT SKILLS AND CHARACTERISTICS

In a next question respondents were invited to indicate the relative importance of specific skills and characteristics which graduates in Business Management should possess. Further, for any given skill and/or characteristic, respondents were also requested to indicate trhe extent to which the formal management education which they had receive, contributed to the development of the specific skills. The findings of this composite question are presented in Table 2. The ranking of the skills and characteristics as required by business practice, appears in Panel A of Table 2 whereas in Panel B the focus is on the mean differences between business practice requirements and actual satisfaction as provided by formal management education. Also indicated in the second column of Panels A and B are the rankings of the 1995 pilot study. The rankings of the two surveys are not directly comparable because the numbers of skills were increased from 25 to 42 in the national survey. Further discussion in this regard will therefore only focus on the 1996 findings.

Panel A shows that without exception, a high relative importance was assigned to all of the 42 skilss characteristics listed. Further, the range of mean values is relatively small (Integrity = 6.2659 and Technical skills = 4.6850) indicating strong support that the skills and characteristics listed in the questionnaire are strongly in demand in business practive.

TABLE 2. Ranking of various skills and/or characteristics required by business practice (Panel A) and mean differences between requirements and actual satisfaction by formal education (N = 493)

| PANEL A: | Relative import | ance of skills and/ |
|--------------|--------------------|---------------------|
| or character | istics required by | y business practice |

PANEL B: Degree of satisfaction as perceived by respondents

| Ranking | | | Percentage (%) | Mean | Standaro deviation | | anking | Mean Differences | Percentage (%) |
|----------------|------------------------|---|----------------|--------|-----------------------|----------------|------------------------|---------------------|----------------|
| 1996 Survey | 1995 Pilot study | Skills and/or characteristics | (10) | | deviation | 1996 Survey | 1995 Pilot study | Differences | (10) |
| 1 | 4 | Integrity | 87.76 | 6.2659 | 1.1120 | 42 | 19 | -2.4534 | 38.03 |
| 2 | 3 | Driving force and motivation | 87.45 | 6.2469 | 0.9147 | 41 | 21 | -2.2084 | 35.60 |
| 3 | 1 | Analytical thinking and problem solving | 86.78 | 6.2069 | 0.9762 | 16 | 16 | -1.6914 | 47.81 |
| 4 | * | Ability to accept responsibility | 86.76 | 6.2057 | 0.9457 | 26 | * | -1.9174 | 46.69 |
| 5 | * | Decision making skills | 86.59 | 6.1951 | 0.8995 | 17 | * | -1.6928 | 48.11 |
| 6 | 5 | Self-confidence and decisiveness | 85.88 | 6.1528 | 0.9934 | 34 | 22 | -2.1008 | 39.44 |
| 7 | 2 | Leadership | 85.64 | 6.1385 | 1.0067 | 32 | 23 | -2.0741 | 41.43 |
| 8 | 7 | Creative thinking & initiatives | 84.99 | 6.0994 | 1.0082 | 37 | 24 | -2.1072 | 38.69 |
| 9 | * | Organising skills | 84.28 | 6.0569 | 0.9758 | 11 | * | -1.6062 | 50.93 |
| 10 | * | Ability to delegate | 84.21 | 6.0528 | 1.0158 | 36 | * | -2.1031 | 41.10 |
| 11 | * | Negotiation skills | 83.84 | 6.0304 | 1.0540 | 38 | * | -2.1584 | 40.88 |
| 12 | * | Planning skills | 83.61 | 6.0163 | 0.9506 | 9 | * | -1.5145 | 53.65 |
| 13 | * | Entrepreneurial skills | 83.44 | 6.0061 | 1.1479 | 39 | * | -2.2025 | 38.57 |
| 14 | * | Motivating skills | 83.06 | 5.9837 | 1.0110 | 29 | * | -1.9855 | 42.24 |
| 15 | . 8 | Clear oral communication | 82.45 | 5.9470 | 1.0677 | 35 | 25 | -2.1029 | 39.85 |
| 16 | 9 | Clear written communication | 81.74 | 5.9043 | 1.1070 | 18 | 9 | -1.7263 | 47.39 |
| 17 | * | Accountability | 81.61 | 5.8963 | 1.0922 | 19 | * | -1.7391 | 50.79 |

Continued

TABLE 2. (Cont.)

| PANEL A: Relative importance of skills and/ or characteristics required by business practice | | | | | | | PANEL B: Degree of satisfaction as perceived by respondents | | | |
|--|----------------|--|----------------|--------|-----------------------|-------|---|---------------------|----------------|--|
| Ranking | | | Percentage (%) | Mean | Standard deviation | | Ranking | Mean Differences | Percentage (%) | |
| 1996 | 1995 | Skills and/or characteristics | ` , | | | 1996 | | | (,,, | |
| Survey | Pilot study | | | | | Surve | y Pilot study | | | |
| 18 | 16 | Pro activity | 81.57 | 5.8942 | 1.1549 | 31 | 12 | -2.0483 | 42.09 | |
| 19 | 10 | Time management | 81.24 | 5.8742 | 1.0690 - | 21 | 10 | -1.7803 | 48.12 | |
| 20 | * | Working in teams | 80.05 | 5.8028 | 1.1016 | 8 | * | -1.4865 | 55.21 | |
| 21 | * | Business ethics | 79.82 | 5.7890 | 1.2131 | 25 | * | -19055 | 46.54 | |
| 22 | 11 | Metal agility | 79.65 | 5.7789 | 0.9825 | 10 | 8 | -1.5967 | 52.54 | |
| 23 | 14 | Ability to co-operate | 78.92 | 5.7352 | 1.1602 | 13 | 6 | -1.6281 | 50.21 | |
| 24 | * | Controlling skills | 78.63 | 5.7181 | 1.1206 | 14 | * | -1.6399 | 50.34 | |
| 25 | 6 | Ability to interpret instruction correctly | 78.51 | 5.7108 | 1.2928 | 7 | 4 | -1.4268 | 55.46 | |
| 26 | * | Holistic thinking | 78.46 | 5.7078 | 1.2373 | 15 | * | -1.6472 | 51.71 | |
| 27 | 12 | Command of basic facts | 78.39 | 5.7035 | 1.1752 | 2 | 1 | -1.0393 | 65.49 | |
| 28 | 13 | Relevant professional understanding | 77.20 | 5.6322 | 1.1261 | 4 | 7 | -1.2788 | 59.47 | |
| 29 | * | Interpersonal (networking skills) | 77.08 | 5.6245 | 1.1430 | 27 | * | -1.9315 | 43.43 | |
| 30 | 20 | Emotional stability | 77.05 | 5.6232 | 1.1997 | 40 | 20 | -2.2169 | 39.12 | |
| 31 | 15 | Computer literacy (PC) | 76.19 | 5.5711 | 1.2753 | 30 | 17 | -2.0473 | 45.34 | |
| 32 | 18 | Numerical skills | 75.76 | 5.5456 | 1.1496 | 1 | 3 | -1.0267 | 65.57 | |
| 33 | * | Human skills | 74.95 | 5.4969 | 1.1809 | 12 | * | -1.6083 | 50.76 | |
| 34 | 22 | Sensitivity to events | 74.56 | 5.4735 | 1.1334 | 20 | 13 | -1.7423 | 47.01 | |

Continued

TABLE 2. (Cont.)

| | ANEL A: Relative importance of skills and/ r characteristics required by business practice | | | | | | PANEL B: Degree of satisfaction as perceived by respondents | | | | |
|---------|--|--|----------------|--------|----------------------|--------|---|---------------------|------------|--|--|
| Ranking | | I | Percentage (%) | Mean | Standar deviation | | ıking | Mean Differences | Percentage | | |
| 1996 | 1995 | Skills and/or characteristics | ` , | | | 1996 | 1995 | | . , | | |
| Survey | Pilot study | | | | | Survey | Pilot study | | | | |
| 35 | 21 | Interest and studiousness | 74.11 | 5.4467 | 1.1717 | 5 | 5 | -1.3223 | 58.06 | | |
| 36 | * | Conceptual skills | 73.39 | 5.4033 | 1.1537 | 6 | * | -1.4191 | 55.81 | | |
| 37 | 19 | Supervisory skills | 72.14 | 5.3286 | 1.2662 | 28 | 18 | -1.9693 | 43.17 | | |
| 38 | 24 | Social skills & abilities | 70.63 | 5.2378 | 1.2549 | 22 | 15 | -1.8268 | 45.64 | | |
| 39 | 25 | Neat appearance | 67.95 | 5.0771 | 1.3991 | 33 | 14 | -2.0885 | 40.40 | | |
| 40 | 17 | Communication in more than one official langua | age 66.63 | 4.9980 | 1.6969 | 24 | 2 | -1.9031 | 45.91 | | |
| 41 | 23 | Pleasant personality | 65.69 | 4.9412 | 1.3905 | 23 | 11 | -1.8351 | 45.57 | | |
| 42 | * | Technical skills | 61.42 | 4.6850 | 1.4042 | 3 | * | -1.1983 | 60.68 | | |

Even more important are the statistics contained in Panel B of Table Per respondent the difference was calculated between the ratings of the skills and characteristics as required by business practice and the coressponding ratings of the actual contribution made by formal management teaching by subtracting the required rating from the actual rating. As shown in Panel B all mean differences are negative which implies that none of the required skills and characteristics were fully met by the efforts of formal management educations. To facilitate the interpretation of the negative mean differences a further transformation was done to map the different scores to percentages, i.e. -3 = 0 per cent; -2 = 33.3 per cent; -1 = 66.7 per cent; 0 = 100 per cent. Should this mapped percentages be 100 per cent, the interpretation is complete satisfaction between the perceived requirements and actual satisfaction.

Table 2 illustrates that integrity is ranked first as a skill or characteristic required by business practice (Panel A, first column), but in terms of mean differences and percentages (Panel B, first column), this variable obtained a 42 ranking in order of satisfying the needs of business practive (a rating of satisfaction of only 38.03 per cent). Further, driving force and motivation were ranked second in terms of relative importance as required by business practice, whilst this variable obtained a ranking of 41 according to mean differences (satisfaction level of only 35.60 per cent).

Viewed against this very low ranking the pivotal issue is whether universities are capable of accepting the responsibility to develop personal characteristics within the short time span of three years. Many experts are of the opinion that leadership qualities for example, are inborn and cannot be taught. These disturbing and thought-provoking findings based on the responses of the respondents support the allegation that the needs of business practice differ completely from the nature and content of curricula and approaches followed by universities. Although the same words were not used to describe the skills and characteristics, a remarkable resemblance exists between the finding sof this investigation and those of Lund (1993: 34-36), Van Rooyen (1982: 8-11), Kedian and Thurlow (1992).

Respondents were further requested to rate their level of agreement, or disagreement, with each of specific statements regarding the contribution of university tuition to their management abilities. These findings are presented in Table 3. It is noteworthy that respondents conceded that university tuition had indeed contributed to an increase in their knowledge and an enhancement of insight and comprehension of the business world (Ranking 1 and 2). The relatively low score obtained by "provide me with an opportunity for the practical application of material learnt" should however be noted. This emphasises the need to increase the practical component of the course.

Linked to the role of university tuition, the opinios of respondents were canvassed in an open question on how the skills of students may be improved whilst studying at university. It is significant to observe that regarding the

TABLE 3. Contribution of university tuition to the development of management skills (N =493)

| Ranking | University tuition actually did: | Percentage (%) | Averange | Standard deviation |
|---------|---|----------------|----------|--------------------|
| 1 | contributes to an increase in my knowledge | 85.04 | 6.1023 | 0.9697 |
| 2 | enhance my insight and comprehension of the business word | 73.87 | 5.4324 | 1.3069 |
| 3 | give me the ability to analyse study material and identify its elements and to integrate them as a whole | 68.00 | 5.0798 | 1.2962 |
| 4 | develop my ability to identify the relationship between elements, concepts and theories and to integrate them into a new logical whole | 67.49 | 5.0491 | 1.2486 |
| 5 | develop my ability to assess learning material in terms of specific criteria, i.e. the ability to judge logical consistency of study material or to determine the pros and cons of a theory | 66.29 | 4.9775 | 1.2905 |
| 6 | provide me with an opportunity for the practical application of material learnt. | 58.49 | 4.5092 | 1.5630 |

338 respondents who offered written suggestions, 79.3 per cent (N = 268) of the suggestions were directly within the ambit of co-operative education (not listed in Table 3).

This phenomenon is particularly significant because the concept of cooperative education had not been introduced at this stage of the empirical investigation.

Typical suggestions which respondents advanced on how to *improve the skills* of students, include:

- compulsory visits to business firms and the assessment of the operations
 of the firm, thereby obtaining greater exposure to the real business
 word:
- more use of local case studies to identify and solve problems;
- placement in businesses for short periods;
- workshops on teamwork and a competitive attitude in practical assignments;
 and
- invite business managers from practive to present lectures

Many respondents referred to the importance of small business and the dire need for more expanded courses on entrepreneurship as these courses represent a viable route for own job creation and personal enchancement.

STATEMENTS PERTAINING TO BUSINESS MANAGEMENT

In this section of the questionnaire twenty sundry statements on a wide variety of issues relating to Business Management were listed. Using the same Likert seven-point scale, respondents were requested to indicate their degree of consensus with each statements, respondents were forced to "agree" and "disagree" extremes with a large range between the highest and lowest scoring statement. As in the previous tables, the corresponding ranking of the 1995 pilot study is also indicated.

Closer scrutiny of Table 4 reveals many salient features, *inter alia* the consensus amongst respondents that the business practice should accept that a graduate needs further training in the working environment (statement 1), the opinion that students with only one or two years of tuition in Business Management cannot be viewed as sufficiently versed in the subjects (statement 2); and that lecturers in Business Management ought to specialise in a specific subject area (statement 3); views on the usefulness of Business Management for promotion prospects (statement 4); and the opinion that in the future many changes have to be made in Business Management curricula (statement 7). Thought provoking views pertaining to Business Management are the current rankings 8 and 15. The interpretation of ranking 15 indicates that respondents do not have a high regard for the subject knowledge of

TABLE 4. Statements pertaining to business managements (N = 493)

| Ran | king | Statement | Percentage (%) | Averange | Standard deviation |
|----------------|--------------------|---|----------------|----------|-----------------------|
| 1996 Survey | 1995 Pilot stud | y | | | |
| 1 | 1 | The business practice should accept that a graduate needs further training in the working environment | 78.96 | 5.7373 | 1.3008 |
| 2 | 3 | Students with only one or two years of tuition in Business Management | 72.65 | 5.3590 | 1.4577 |
| 3 | 5 | Lecturers in Business Management ought to specialise in a specific subject area | 68.51 | 5.1104 | 1.3291 |
| 4 | 4 | Graduates in Business Management make faster progress in business pratice than persons without such education | 68.33 | 5.1000 | 1.2950 |
| 5 | 2 | Education in Business Management is lectured too theoretically | 68.07 | 5.0840 | 1.4182 |
| 6 | 7 | Business Management lecturers do not have sufficient contact with the practical business environment | 66.87 | 5.0122 | 1.5924 |
| 7 | 8 | With a view to the future many changes have to be made in Business Management curricula | 65.61 | 4.9365 | 1.4236 |
| 8 | 19 | Too little time is spent on the undergraduate teaching of Business Management | 64.41 | 4.8645 | 1.4452 |
| 9 | 13 | When appointing staff, preference is given to candidates with education in Business Management | 62.68 | 4.7607 | 1.3723 |
| 10 | 6 | The "right" subject are lectured in the education of Business Management | 58.15 | 4.4887 | 1.1419 |

TABLE 4. (Cont.)

| Ran | king | Statement | Percentage (%) | Averange | Standard deviation |
|----------------|--------------------|--|----------------|----------|--------------------|
| 1996 Survey | 1995 Pilot stud | y | | | |
| 11 | 12 | University education in Business Management must only focus on the in the working environment | 56.27 | 4.3760 | 1.6652 |
| 12 | 11 | Undergraduate tuition of Business Management should provide for greater specialization | 56.19 | 4.3717 | 1.5984 |
| 13 | 15 | Graduates in Business Management should be able to immediately cope with a specific post | 55.88 | 4.3529 | 1.6133 |
| - 14 | 14 | The business practice should accept that a graduate is only taught the basic theory of Business Management | 54.49 | 4.2694 | 1.7505 |
| 15 | 9 | Lecturers in Business Management are well versed in all aspects of their subject | 48.25 | 3.8951 | 1.3963 |
| 16 | 18 | Education in Business Management already adequately relates to the needs of business practice | 48.13 | 3.8880 | 1.3254 |
| 17 | 16 | Business Management students from Technikons are of more immediate value to the business world than those from Universities | 46.36 | 3.7814 | 1.7290 |
| 18 | 20 | Graduates in Business Management fully meet the requirements of business practice | es 45.41 | 3.7245 | 1.3152 |
| 19 | 17 | A person with a BCom degree which includes Business Management is competent to fill a management post | 43.26 | 3.5955 | 1.5107 |
| 20 | 21 | Education in Business Management should only concentrate on the basic theoretical principles rather than specific problems of practice | 21.91 | 2.3144 | 1.2642 |

lectures. Certainly the most outstanding endorsement of the assertion that a disparity exists between the needs of business practice and graduates in Business Management is evident in statements 18 and 19.

What does one make of the findings of Table 4? All in all, the dualistic nature of Business Management emerges, illustrating the difficulty of satisfying the needs of all stakeholders when designing the curriculum at tertiary level.

FINDINGS ON CO-OPERATE EDUCATION

Section B of the questionnaire focused on the desirability of a co-operate education programme within the sphere of education in Business Management. In an effort to elicit well-judged responses, the essential features of co-operative education were included in the questionnaire, namely

- 1. It is a strategy of applied learning.
- 2. It involves a structured programme developed and supervised by an educational institution in collaboration with one or more employing organisations.
- 3. Revelant productive work is an integral part of a student's regular academic programme and an essential component of the final assessment.
- 4. The programmes normally commences and terminates with the academic period.
- 5. The work experience component involves productive work and comprises a significant proportion of the total programme.

At whatever level programmes are offered, they maintain excellece. One possible presentation of a co-operate programmes (there are many variants) is given in Frame 4.

| | | Tei | ms | |
|---------------|------------|------------|------------|----------|
| Year of study | One | Two | Three | Four |
| First | University | University | Practice | Practive |
| Second | University | University | Practice | Practive |
| Third | University | University | Practice | Practive |
| Final | University | University | University | Practive |

FRAME 4. A proposed co-operate programme

As a start, using the seven-point scale, a respone was required on a statement that a three-year full-time course in the Economic Sciences is too limited and that the degree should be offered over a period of four years according to the co-operative route. The mean score on this statement was 5.32, (which implies an "agree" rating of 72.0 per cent) whilst 365 (75.0 per

cent) out of the 487 respondets to the statement agreed at the level of five or higher on the seven-point scale. On their views with regard to the feasibility of a co-operative programme for Business Management, a mean score of 5.83 on the seven-point scale was obtained (80.0 per cent "agree" rating according to the mapped transformation), whilst 412 otu of 478 (86.2 per cent) respondents supported the feasibility of a co-operative programme at the level of five or higher on the seven-point scale. In 442 written motivations received, 394 respondents (89.14 per cent) cited arguments in favour of the co-operative route, 27 respondents (6.11 per cent) supplied contra arguments while 21 respondents (4.75 per cent) revealed indifferent attitudes. Respondents who were in favour of co-operative education argued that it:

- is of great value, initially as an observer, later participative;
- will assist students to identify weaknesses in their theoretical knowledge;
 and
- will assist students in evaluating career options.

Main arguments of respondents against co-operative education included:

- not possible in the current economic situation;
- leave this to Technikons, maintain the fundamental theoretical character of Universities; and
- not practical to train someone for a competitor to ultimately benefit.

In response to a further question on the feasibility of the co-operative education strategy considering the particular needs of the respondent's firm, 460 written responses were received: 216 respondents (46.96 per cent) supplied arguments supporting the feasibility of such a programme; 138 respondents (30.0 per cent) were in favour, but anticipated serious problems, while 106 respondents (23.04 per cent) indicated that such a strategy is not viable for their specific firm.

The last open question which canvassed opinions on how the efficiency of education in Business Management at university level can be improved, drew written responses from 399 respondents. Of these, 243 suggestions (60.9 per cent) pointed towards the upgrading of the total university infrastructure such as upgranding of lecturing staff, systems and course contens; 116 respondents (29.1 per cent) focused their suggestions on one or other dimension of co-operative education, with the balance placing the emphasis on small business and entrepreneurship exposure.

CONCLUSIONS

In the presentation of the empirical findings, some outstanding conclusions have already been highlighted. In full awareness of the risk of over-

simplifying the issues, the overall caonclusions will be presented in terms of five business paradigms.

PARADIGM ONE: YOU NEED TO BE A CHARTERED ACCOUNTANT TO RUN A BUSINESS

For many of otusiders and freshmen/women this paradigm may appear laudable. The real question is whether the empirical evidence can support such beliefs. The argument to the contrary of Morita (1992) was recorded which should also be interpreted in its proper persepective.

It is generally asserted that professional accounting qualifications are the most critical requirement for asuccessful business career. The importance of Accountancy cannot be questioned in terms of the relative importance of subject disciplines (Table 1, ranked 6th, mean score of 5.6673 or 77.79 per cent). However, no empirical evidence could be found that this subject discipline can be considered in isolation as the *raison d'être* for a management career. By saying this explicitly, nothing is said which belittles, derogates from or demotes the importance of this subject in relation to other relevant disciplines.

For this paradigm to stand firm, it is imperative that the curriculum for chartered accountants must be fundamentally restructured to cater for the high ranking subjects and skills as required by business practice (listed in Tables 1 and 2). Whether such an exercise is possible within the designated duration of the course, remains an open question.

PARADIGM TWO: THE CONTENTS AND SCOPE OF MANAGEMENT EDUCATION SHOULD BE DERIVED FROM THE MAIN OBJECTIVES OF UNIVERSITY EDUCATION

South African universities are often labelled as isolated ivory towers and criticised for being too bureaucratic and too insensitive to the needs of their stakeholders. A further accusation often relates to elitism and the perceived lack of innovativeness of universities. The empirical evidence as summarized in Table 1 (Relative importance of various subject disciplines) highlights the importance of a wide variety of subject disciplines which should enhance holistic knowledge as required by the wide involvement of practising managers. Evidence was found (Table 3, rankings 1 and 2) that university education contributed to the widening of a student's cultural and intellectual horizons, educating them to become independent self- sufficient persons. The essential contents of business management curricula should be structured in such a way that a balance is found somewhere between the two poles of exclusively vocational training and the pure practice of science. Particularly noticeable

as a reaction to economic and political realities is the emergence of "new" subjects like entrepreneurship and small business management in university curricula.

All in all, no doubt should exist that relevant university education remains of utmost importance for a winning nation. The history of mankind has shown, without any exception, that the most educated countries in the world are also the most successful.

PARADIGM THREE: THE MERITS OF A "DECENT" UNIVERSITY EDUCATION ARE VESTED IN THE ACTUAL BEHAVIOUR OF BUSINESS PRACTICE AND NOT IN MANAGEMENT THEORY

It is often asserted that Business Management courses must be "practical" and "hands-on" with little emphasis on the merits of Business Management theory. Stated in other words, there is an inclination that business practice should receive more emphasis than business theory. In this regard it is important to take cognisance of Paarlberg's (1968: 24-25) view. In his *Great Myths of Economics* Paarlberg draws a significant distinction between theory and practice:

There is a popular feeling that 'theory' is opposed to 'practice' and the merits lie with 'practice'. This is a false conclusion, based on a false supposition. If practice has long been successful and does not conform to theory, the theory is bad and in need of revision... The distinction should not be between theory and practice, it should be between good theory and bad theory, between good practice and bad practice... Practive is brick; theory is mortar. Both are assential and both must be good if we are to erect a worthy structure.

Paarlberg (1968) offered a convincing argument that the line should not be drawn between theory and practice, but between good theory and bad theory and between good practice and bad practive. Nevertheless, based on the findings of the empirical investigation, it seems that preferences are inclined and one-sided sentiments were expressed towards business practice (see Table 4, statement 5). Such views illustrate that respondents are not familiar with the basic scientific process which involves painstaking verification of empirical data. Good business practice must eventually, via the process of verification, lead to good theories which should form the corpus of subject matter.

For various reasons it is a difficult task to offer a balanced fundamental-theoretical and practicec-orientated course in Business Management. The fundamental-theoretical content of Business Management with its distint dividing-line between good and bad theory is to be found within the sphere

of influence of the university. Therefore, as far as the curriculum is concerned, it is the duty of the Business Management departments to ensure that the curriculum is scientifically valid, contemporary and fundamental. The departments must also ensure that the degree of complexity of the curriculum is suited to the level of development of university students so that the student may be guided to high-level mental processes such as analysis, synthesis and evaluation.

However, the daulistic task of Business Management becomes difficult when the requirements of business practice are considered. The empirical findings have verified that the requirements of business practice are widely divergent, with emphasisi being placed on many different aspects. For example, some employers except graduates in Business Management to deliver specific and unique contributions from the very first day of employment, whereas it has also been determined empirically that business practice is probably in greater need of general formative education in order for the interaction between environment and business firms to be understood (see Table 1 on the importance of a wide range of subject disciplines). On the other hand, very strong lip-service support for co-operate education was voiced, unfortunately interwoven with ambiguity.

Where does the problem lie? As a result of the skills mismatch in South Africa, together with current political and economic rationcinations, the community at large, the business sector and until recently, some of the professional councils, have increasingly been demanding that the products of the Business Management departments be practical and of immediate usefulness. Only then, according to them, are universities relevant. In this respect the requirements of practive are simple: they are satisfied by a practical usefulness without any interest needed in the deeper underlying considerations of the problem. What business practice does not understand or, as a result of the pressure of the urgent problems of the present time, cannot understand, is that there is a need for competent people in South Africa. Competence is the result of intellectual development, for example the competence to think creatively and innovatively, or the competence to create and identify opportunities. Skills which merely concern the application of techniques are, on the other hand, something entirely different. Business practice must not confuse competence with skill.

The application of techniques which satisfy business practice ia a method indicating how to act in a particular situation in practice. Such a method does indicate how to act, but does not answer the question why. When designing curricula Business Management departments are faced with a difficult choice: either to decide to solve certain problems of business practice in the short term by means of university instruction or to present to the community and business world something lasting which would guarantee the survival of intellectual and cultural values. If Business Management departments adjusted

their curricula unilaterally under pressure form the demands of practice, they would deviate from the mainstream of pure scientific practive. In such a case the idea of "universitas" is thrown overboard and the university is relegated to a trade-should for scientific artisans. It is not denied that the community at large and the business community in particular have a need for the application of techniques, but it must not be expected of Business Management departments to provide them to all stakeholders: other stakeholders, like employers would also have to play their part.

PARADIGM FOUR: A WIDE VARIETY OF SKILLS-CHARACTERISTICS ARE REQUIRED BY BUSINESS PRACTICE

The idea of a broad skill-based education is reinforced in this study. The empirical findings as summarised in Table 2 (Ranking of various skills and/ or characteristics required by business practice) and to a lesser extent Table 3 (Contribution of university tuition to the development of management abilities), provide ample support and understanding for paradigm four. The findings of Panel B of Table 2 illustrate without any doubt that it is particularly within the ambit of high-level mental and conceptual activities that the challenge of management educators is located. It was found empirically in this study that current management teaching does not sufficiently enhance the student'ability to define problems, to make decisions, perform information searches, interpret information and arrive at creative solutions via analysis and synthesis.

Efforts to cultivate such skills are impeded by one-way lecturer-centred teaching methods whreas the new approach of sef-directed learning is required. This issue will be addressed when dealing with paradigm five.

PARADIGM FIVE: IT IS NOT POSSIBLE TO INSTILL MANAGEMENT SKILLS, LIKE LEADERSHIP OTHER QUALITIES, IN UNIVERSITY GRADUATES

Can leadership be taught? Evidence by Bass (1990, 1994) and Bennis (1994) pointed to the affirmative. Empirically a high importance rating was given to the various skills and characteristics as required by business practice. Respondents were explicitly invited to comment on how the relevant skills, like leadership, can be improved at university level. These suggestions were listed in section 3.3.3 where it was also pointed out that it is not feasible in a very limited time to create the desired personality characteristics like driving force, motivation, self-confidence, initiative, pro-activity and emotional stability - such characteristics can only be enhanced at university level by the interaction amongst students themselves and lecturing staff.

Where certain skills or characteristics as required by business practice are lacking, the emphasis should be placed on the implementation of an integrated curriculum by broadening the vocational aspects with applied learning. This brings the dimension of "lifelong" education to the foreground. While vocational education focuses on preparing a student for one specific job or vocation, "lifelong" education is much brader and continuous, and is aimed at the acquisition of specific skills or characteristics. In this respect the co-operate route remains a viable alternative. It must be borne in mind that to restore and ensure a high economic growth rate in South Africa, we do not merely need a higher base of proficient human resources; we especially need the right skills mix as required by business practice.

To cultivate the desired skills and characteristics as in demand by business practice, urgently requires a paradigm shift in teaching as advocated by Strydom (1993). This paradigm shift in teaching is presented in Frame 5.

Other findings which need to be amplified relate to entrepreneurship and small business development. The free market approach is fundamental to progress. Structural adjustments to the educational system are required to ensure that graduates will be marketable in obtaining a position. Current evidence indicates that the number of jobs available in big business and in the civil service is on the decline (Sunter 1993). It seems as if educationalists have not taken note of this reality. Therefore, graduates should be more educated to be employers, not employees.

Finally, the working hypothesis - a wide disparity exists between the needs of business practice and the nature and contents of structures and curricula of Business Management as lectured at universities - seems to be true in so far as the skills requirements are concerned (Table 2, Panel B). Otherwise, the empirical evidence also suggests that the output of universities is in better standing than often asserted (Tables 3 and 4). By arriving at this conclusion, nothing must be taken to suggest that a state of complacency with the current performance will be tolerated. On a continuous basis the Department of Business Management at the University of Port Elizabeth will conduct research into the essential skills, know-how, intellectual properties and experience that form the basisi for the enduring competitiveness of its graduates. When dealing with the educational needs of business graduates it is imperative to think "new" and to realise that old ill-founded paradigms have to be broken down before new perspectives can arise and flourish. It is almost a situation of burying the old before creating the new.

Againts the background of the paradigms on management education, as well as of the findings of the empirical investigation, it is worthwhile to call to mind the words of the Hebrew philosopher, Maimonides. Maimonides said, among other things, that "... he who has studied insufficiently, and teaches and acts according to his defective knowledge, is to be considered as if he sinned knowingly". Maimonides lived in the eleventh century A.D.

FRAME 5. Paradigm shift in teaching

| Variables | Old | New |
|--------------------|---|---|
| Knowledge | Transferred from lecturers to students | Jointly constructed by students and lecturers |
| Students | Passive vessel to be filled by lecturers's knowledge | Active constructor, discoverer, transformer of own knowledge |
| Lecturers' Purpose | Classify and sort sudents | Develop students' competence and talents |
| Relationships | Interpersonal relationships among students and between lecturers and students | Personal transaction among students and between lecturers and students |
| Context | Competitive individualistic | Co-operate learning in classroom and co-operative teams among lecturers/TLAs |
| Assumption | Any expert can teach | Teaching is complex and requires considerable training |

Source: Adapted from Strydom (1993:15).

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