



“The answer is to embrace it, but judiciously and with a learning mindset,” says Shamim Bodhanya, a senior research fellow at Rhodes Business School and MD of the Leadership Dialogue, a private consultancy that is coaching academics on how to use ChatGPT.

He admits that AI poses serious risks and dangers — including that it can perpetuate racial and gender bias — but feels that universities should be putting basic AI guidelines in place so that academics know it’s OK to start working with it.

Formal institutional responses to AI are still in their infancy in most parts of the world but South African universities are starting to adopt AI policies.

Wits Business School (WBS) recently released senate standing orders on AI. They focus less on AI-detection tools and more on shifting testing away from high-stakes, summative assessments to more continuous and diverse assessments that include oral examinations, student presentations and other face-to-face activities.

Rhodes Business School has also just issued a policy on AI. “We’ve adopted a values-based approach (where we educate the student on the pros and cons of AI) combined with checks and balances as well as penalties and sanctions to make sure our academic project isn’t compromised,” explains school director Owen Skae.

“Ultimately, we need to embrace AI so we can understand what it can and can’t do,” he adds. “It’s a pipe dream to think we can avoid it, but we still must ensure that the academic rigour that we stand for is maintained.”



Owen Skae. Picture: Freddy Mavunda

### **Passing the test**

Skae participated in the MBA study by André Calitz of Nelson Mandela University and Margaret Cullen of the Nelson Mandela University Business School, in which ChatGPT passed 12 MBA exam papers from 2022, provided and marked by four local business schools.

The AI scored 51% overall, but Skae gave it only 4% for his paper on management accounting. It seems ChatGPT, while good at generating fact-based text, fares less well with numerical analysis. For instance, it is unable to parse Excel spreadsheets or produce graphs and images without the additional boost of plug-ins, though these are readily available. However, its latest iteration, GPT-4, easily overcomes many of these shortcomings.

Sam Altman, the CEO of ChatGPT creator OpenAI, said in a well-publicised interview last year that his firm would help devise ways to identify ChatGPT plagiarism. However, he warned that complete detection was impossible, and said schools should avoid relying on plagiarism-detection tools.

“Generative text is something we all need to adapt to,” Altman said. “We adapted to calculators and changed what we tested for in math class, I imagine. This is a more extreme version of that, no doubt, but also the benefits of it are more extreme as well.”

**Destroying a nation does not require the use of atomic bombs or the use of long-range missiles. It only requires lowering the quality of education and allowing cheating in the examinations by the students**

The most revealing part of the Calitz and Cullins paper, “ChatGPT: The New MBA Student in Your Class”, is the comments from the markers. ChatGPT’s best score was 78% for economics, followed by 75% for marketing management. The examiner of the latter paper noted: “If you can google the answer, ChatGPT is spot on.”

The AI model scored 65% on the organisational behaviour module, with the lecturer saying its answer to the first question on the paper “is probably the best answer I ever received on this particular question”.

Other lecturers pointed out that while many of ChatGPT’s answers to straightforward theoretical questions were of textbook quality, it was sometimes less proficient at interpreting case studies.

And when asked to predict an outcome or express an opinion, it issued a disclaimer, stating that as an AI it is not able to predict the future or form an opinion. However, experts say that with a few changes in prompts, or the use of plug-ins, this limitation can easily be overcome.

“This is food for thought and perhaps makes me appreciate that we have sit-down, in-person exams,” said one examiner. “On the other hand, it also offers me the opportunity to reflect on whether I am asking the right sort of questions.”

Another examiner said: “For any theoretical-based assessment or online questionnaire we will have to think of innovative ways to truly test a delegate’s knowledge [so as] not [to] just get an AI-generated report.”

Indeed, Calitz and Cullins recommend that, to ensure students are doing their own work, educators should avoid assignments that don’t require critical, original thinking or creativity in the way knowledge is applied.

## ChatGPT, according to ChatGPT

Nelson Mandela University researchers asked ChatGPT to come up with its own list of the pros and cons of using ChatGPT in education

### It said the pros of using ChatGPT in education are:

**Availability:** ChatGPT can provide 24/7 support to students, which can be useful for students in different time zones or with varying schedules;

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**Accuracy:** ChatGPT is only as accurate as the data it has been trained on, and there is a risk of students receiving incorrect information if the model has not been trained on the specific topic in question;

**Limited creativity:** ChatGPT is limited to providing answers based on existing data and may not be able to generate new ideas or approaches to solving problems;

**Lack of human interaction:** While ChatGPT can provide instant answers, it lacks the personal interaction and feedback that students receive from a human teacher; and

**Dependence on technology:** ChatGPT relies on technology to function and if the technology fails or is unavailable, students may be unable to access educational resources.

Claire Bissek



### **Prepare for an ‘arms race’**

In addition to changing the way they assess students, most universities are turning to proctored exams, secure online assessments and anti-plagiarism software, such as Turnitin, to prevent the unsanctioned use of AI.

However, Ahmed Shaikh, MD of Durban-based Regent Business School, has found that Turnitin’s AI detector has a low rate of accuracy, especially when scanning for plagiarism in academic assignments for MBA modules.

“In general, digital scamming has taught us that no matter how we try to minimise the overall impact of a rip-off, the ingenuity of scammers always comes up with an alternative scam,” he says.

Bodhanya thinks there’s going to be an “arms race” between advances in AI and the ability of AI-detection software to keep up — a race that the latter will lose. As such, he thinks the whole way of educating young people needs to change.

He recommends that business schools:

- Use the flipped classroom approach: where students are encouraged to use AI in preparing for the class at home but once in the classroom must apply that knowledge in how they engage and debate with their peers.
- Change the way they assess students: written essays and multiple-choice tests should be supplemented with more creative forms of assessment such as oral engagements and in-class discussion. Online institutions can use supervised online discussion rooms.
- Set deliberate booby traps and red herrings by inserting false facts into assignments that robots won’t detect but a human should. However, Bodhanya cautions there may be ethical problems with this approach.
- Embrace AI fully: tell students they *must* use it in completing their assignments but must also show how they constructed their AI prompts, cite all the AI resources used and critique the AI’s output.

Marko Saravanja, chair of Regenesys Business School, believes AI is here to stay and will continue to evolve. The business school has decided not to fight the technology but rather to embrace it to deepen the learning experience for students.

### **The problem is not cheating students but educators who are not creative and innovative or technologically competent enough to create assessments that are cheat-proof**

At the same time, Regenesys uses Turnitin to detect AI-generated writing. It is also exploring similar products, such as GPTZero, and has updated its academic policies to make AI-inspired academic dishonesty a punishable offence of the highest level.

But the best solution, Saravanja believes, is to use a mix of assessment methods, from individual proctored assessments to team-based applied projects.

“Our MBA students do projects in teams and give an oral presentation of their projects to the assessors, which provides us with an opportunity to engage directly with the students, ask questions, assess their in-depth understanding and explore if it is their own work or AI-generated,” he explains.

“The problem is not cheating students but educators who are not creative and innovative, or technologically competent enough, to create assessments that are cheat-proof.

“I believe that AI will run the world in our lifetime. Those who embrace it will become masters. Those who don’t will become slaves.”

WBS information systems lecturer Mitchell Hughes is “absolutely in favour” of using AI in MBA programmes and stresses the importance of creating a culture of digital and AI literacy at the business school.

He believes that if used with positive intent to enrich teaching, learning and the student experience, AI has “tremendous potential for good”.

“It’s obviously important to acknowledge and do our best to mitigate the threats, particularly in terms of ethics and privacy,” he says. “But on balance the potential benefits far outweigh the challenges. It is therefore a phenomenon to be embraced, not denied or shut down.”

## FAST LEARNER

ChatGPT passes South African MBA (2022)

University type	MBA subject	Paper type	Paper duration	ChatGPT time to complete (minutes)	ChatGPT marks (%)
Comprehensive	Strategic marketing	Case study exam	3 hours	4:45	58
	Leadership	Case study exam	3 hours	4:00	52
	Management accounting	Exam	5 hours	7:10	48
Research	Human resource management	Portfolio of evidence		7:15	
	Marketing management	Case study & portfolio of evidence		8:00	75
Research	Analytical methods	Assignment	1 week	13:10	27
	Organisational behaviour	Assignment		12:40	65
	Strategic marketing	Exam	4 hours	4:45	60
	Business analysis	Assignment & case study	15 hours	21:40	55
	Corporate strategy	Assignment & case study	4 hours	5:45	38
Research	Economics	Exam	2.5 hours	9:30	78
	Management accounting	Exam	2.5 hours	6:30	4
<b>Average</b>				<b>9:05</b>	<b>51</b>

Source: Calitz and Cullins, “ChatGPT: The New MBA student in your class”

## Working with AI

But given the risks, why is it necessary to embrace AI at all? Why not just pull up the drawbridge? Surely it’s better to be safe than sorry?

Interestingly, none of the business schools canvassed for this piece believe this is the right approach. AI offers just too many benefits and is already widely diffused into all sectors, not just academia.

Shaikh believes that AI is a major technological revolution that cannot be shied away from; academia will just have to adapt to its use.

“We are very aware that we need to fundamentally rethink ways in which we teach, so we are thinking about integrating generative AI tools mindfully into our core curriculum for the MBA,” he says.

This will be shaped by the school’s policy on AI. Shaikh expects that it will require academics to attend workshops on the basics of teaching with AI and on course redesign, as well as on how to partner with students in determining how AI is used in the classroom.

There are several generative AI tools on the market specifically designed for use in education.

They include Gradescope, an AI tool that enables students to assess each other while providing feedback; Fetchy, an AI platform for educators that can create lesson plans, enhance teaching methods and help with time management; Dragon Speech Recognition, which can transcribe up to 160 words per minute; Cognii, a virtual learning assistant; and Carnegie Learning's various platforms, which mimic human tutors.

**It's a pipe dream to think we can avoid it, but we still must ensure that the academic rigour that we stand for is maintained**

Other tools that, like ChatGPT, can provide visual, audio, text and code generation include AlphaCode, GitHub Copilot and Google's chatbot, Bard.

Many academics are already using AI tools to create referencing lists and systems and to do scoping reviews to find seminal articles — a once laborious, paper-based process involving library cards, heavy books and dusty archives.

"Today we are overwhelmed with information," says Skae. "So if AI can save you time [on the drudge work] which you can rather spend comparing and contrasting, AI can enhance your knowledge. But if it allows you to get away with shallow thinking ... well, that's an inherent danger we have to guard against."

Perhaps the best reason for not shutting the door on AI is that, as Calitz and Cullins conclude in their paper, students will graduate into a world full of generative AI programmes and will need hands-on experience to navigate their use in the workplace.

Caitlin Ferreira, MBA programme director at the University of Cape Town's Graduate School of Business, agrees. While stressing that the main aim of an MBA is to create individuals who deliver work and ideas that offer uniquely human insights and higher-order solutions, she believes MBAs also have an important role to play in preparing students to navigate a world in which AI will play an increasingly important role.

"If we closed our eyes and pretended that AI tools didn't exist, we would be doing our students and ourselves a disservice," she says. "Instead, teaching students how to use these tools ... in a way that augments human capabilities ... sets students up for future success."

However, she adds that it's equally important for students to learn how *not* to use AI.



Segrán Nair: More international business schools are likely to set up in South Africa. Picture: Freddy Mavunda

“We need to teach students to critique information and ensure that they’re aware of misinformation and potential security and data privacy concerns when using AI tools,” she says.

Milpark Business School director Segrán Nair agrees that it is part of the role of a business school to ensure prospective business leaders know how AI works and what its potential is in their respective fields.

He has seen first-hand how the phrasing of AI prompts can result in different responses, some completely inaccurate. “This is why students need to be coached in terms of how they use AI,” he says. “Academic staff can use it to heighten critical thinking on MBA programmes, to show how fake information and false facts are presented, and what the importance of referencing and the correct prompting for information is.”

Nair also points out that a tool like ChatGPT can be very useful for helping students phrase concepts and polish language.

“Students often come from disadvantaged backgrounds where English instruction was poor,” he says. “Using a programme to help them phrase and put together assignments can be very beneficial in assisting students battling language barriers.”

On the other hand, the downside observed by some academics is that with the rise in AI-generated text and speech-recognition software students’ own writing skills are already being compromised.



Louise Whittaker: AI cannot teach leadership skills. Picture: Supplied

Gordon Institute of Business Science (Gibs) deputy dean Louise Whittaker believes that when AI is used as a tool to assist writing and thinking, rather than to replace thinking, it can be “very powerful”.

For instance, some Gibs lecturers are actively asking students to get AI to generate text that they then have to critique to produce more refined, applied answers.

But while aware of these positive applications, she makes a crucial point: “MBAs are supposed to teach leadership and personal mastery skills as well as technical skills. AI cannot replace or even teach these.”

The bottom line is that AI is here to stay, and business schools need to adapt quickly to this new terrain. AI can certainly expedite teaching and learning but it can also expedite cheating. And while there are ways to ensure cheating is minimised, none is foolproof.

Even the most ardent AI enthusiasts accept that it presents risk. But while it has very few limitations, don’t expect AI to produce original thinking or provide a shoulder to cry on. Well, not yet, anyway.

## **CHATGPT, ACCORDING TO CHATGPT**

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## **MBAs: From South Africa to the world**

Foreign business schools see Africa as a future source of MBA students

*by* DAVID FURLONGER



Picture: 123RF/36474343

South Africa is becoming the target for international business schools anxious to sign up the country's high-calibre students, but also to create a launchpad into the rest of Africa. Faced with ageing populations in traditional markets, they are lured by the size and relative youthfulness of the African population.

At an MBA expo in Joburg this month, a record 12 foreign business schools from as far afield as Spain, France, Switzerland, Canada, the UK and the US touted their programmes to hundreds of potential South African students keen to broaden their business education horizons.

Segran Nair, director of Milpark Business School — one of several local institutions whose MBA programmes are internationally accredited — believes it's only a matter of time before more major foreign schools establish South African campuses.



Segran Nair: More international business schools are likely to set up in South Africa. Picture: Freddy Mavunda

Henley Africa, an offshoot of UK-based Henley Business School, has been here for many years and become a leading member of the local business schools community. Its South African MBA students are among the top achievers in the global group.

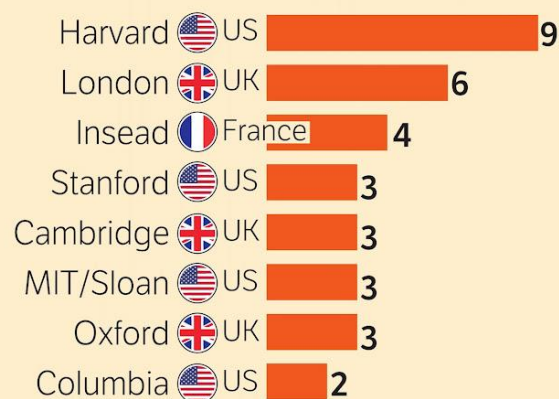
More recently, Duke Corporate Education, part of Duke University's Fuqua School of Business in the US, has carved out a sizeable share of the local executive education market not only by bringing international expertise to the game but also tailoring it to local needs.

Not everyone achieves that. Australian and UK schools are among others that tried and failed in South Africa, mainly because their local MBA programmes were virtual carbon copies of those offered by their parent universities, with limited relevance to the local market or the broader African ones.

That remains a potent argument against South African students undertaking foreign MBAs. During audience discussions at the recent expo, local and overseas school representatives traded opinions about whether a US MBA, for example, prepared South African students for a career in Africa. While there is no doubt that many business principles are global, local or regional realities are not.

## OUTSIDE CHANCES

Which foreign business schools have employers experienced and rate highly? (%)



Source: Lodestar

"Foreign MBAs lack African context," says DaVinci Business School CEO HB Klopper firmly.

For many South African students, however, that is not an issue. Local business schools may be world class, and have the international accreditations to prove it, but the perception that a foreign MBA is somehow superior can't be eradicated.

In some cases, the African focus of a local qualification can seem a disadvantage. For the growing number of South Africans planning to quit the country and make their fortunes elsewhere, an African slant is the last thing they want.

Representatives of foreign schools at the expo — even those that have attracted South African students before — admit they were surprised by the increased level of interest.

Daniella Wagner, marketing and recruitment assistant director for the executive MBA programme at Insead Business School, reveals that the Paris-based institution already has more than 900 South African alumni, though not all for the MBA.

The University of St Gallen in Switzerland is "in an exploratory phase to assess the level of increased demand", says marketing and talent manager Andrea Echeverri.

As for the US, South African students are prized not just for their academic talent but for the different business perspectives they bring to the classroom, according to Rebecca Mallen-Churchill, recruitment director for the WP Carey School of Business at Arizona State University.

Jako Volschenk, MBA head at Stellenbosch Business School, says: “South Africans are used to obstacles and to the going being tough in ways that other students can’t comprehend. They bring a different and balanced context to the classroom.”

**South Africans are used to obstacles and to the going being tough in ways that other students can’t comprehend. They bring a different and balanced context to the classroom**

Students aren’t the only ones eyeing the international route. Market research for this cover story shows some employers think their executives can benefit more from the cachet of a foreign MBA. Their favourite, perhaps not surprisingly, is Harvard Business School in the US, followed by London (UK), Insead, Stanford (US), Cambridge (UK), MIT/Sloan (US), Oxford (UK) and Columbia (US).

The last of these, coincidentally, topped the 2023 London Financial Times ranking for the world’s best full-time MBA programme.

One of the main drawbacks of a foreign MBA is cost. South African programmes in 2023 are priced from below R100,000 to just over R500,000. Study at a reputable school in the US or Europe and you’ll be very, very, very lucky to get change from R1m. At some the real cost can be double that.

That may be fine for a corporate sponsoring one of its high-flyers, but a self-funding individual?

Don’t panic, say schools. Echeverri tells the FM that South African students can apply for St Gallen bursaries worth up to 40% of programme costs. Some US schools say their scholarships run as high as 70%.

A number of companies offer study-now, pay-later deals to South Africans studying overseas. Megan Williams, student adviser at Sable International, says her company is helping scores of young South Africans in this way.

Repayment may be less traumatic than students think, says Vivien Tran, recruitment and admissions manager at the University of British Columbia’s Sauder School of Business in Canada. She says North American student visas allow recipients to live and work there for a period after completing their courses. In Canada, an MBA graduate can stay up to four years. Make a success of your time there and you’ll be repaying rand loans with dollars.

Mallen-Churchill says 97% of Arizona’s full-time MBA students have a job within three months of graduating.

**South Africa has world-class business schools, world-class facilities and world-class accreditations**

None of this is meant to detract from the value of a South African MBA. Four local schools can boast the “triple crown” of international accreditation: from the Association of MBAs, or Amba, in the UK; the Quality Improvement System from the European Foundation for Management Development, better known as EQUIS; and the Association to Advance Collegiate Schools of Business in the US.

As of June this year, only 124 business schools around the world, of an estimated 30,000, held that triple crown distinction. In addition, eight local MBA programmes are accredited by Amba. What all this adds up to is that South African business education is world class.

This quality is what makes the country such a desirable target for foreign business schools, says Stellenbosch director Mark Smith. “It is a recognition of the talent that exists in the country but also perhaps the potential role of South Africa as a hub for management education on the continent.”

Some leading European and US schools have already created satellite campuses in Asia, Africa and the Middle East, so setting up shop here would be a continuation of this activity. In fact, Smith considers it inevitable.

“One of the key characteristics of the markets these international schools originate from is that they are rather saturated and that the populations are ageing. As in any sector of the economy, organisations facing saturated markets seek new markets to sell their products and services,” he says.

“Unlike Europe, North America and parts of Asia, where birth rates are falling below replacement rates, Africa offers an expanding supply of young people.”

Global demand for postgraduate students is sky high. A Netherlands student portal lists more than 22,000 master’s degrees in business and management around the world. With the breakdown in international boundaries through online teaching, accelerated by Covid, South Africa is bound to become a battleground.

“One does not have to spend much time on social media in South Africa before an advert appears from an overseas university offering an online or hybrid programme,” says Smith.

The competition is not just for South African students, but for those across Africa and beyond.

“South Africa has world-class business schools, world-class facilities and world-class accreditations,” says Smith. With an openness to world-class academics and students, it could become a key educational destination for the continent and an important export industry for the country.”



## **MBAs: back to the future**

The MBA has undergone huge change in the past three years. But many fundamental building blocks have survived the Covid-induced revolution

*by* DAVID FURLONGER



Picture: Wokandapix/Pixabay

Are we in a post-Covid world or a pre-post-Covid world? From the moment the pandemic upended business education in 2020, alongside every other human endeavour, business schools have been trying to second-guess what their sector will look like once the pandemic is behind us.

Here we are, 3½ years later and — guess what — many people are still none the wiser.

It's not entirely their fault. The development rate of artificial intelligence (AI) — aka The Rise of the Robot — has far outstripped predictions. Four years ago, Elon Musk was all in favour. Now, with artificial brains taking on more and more human skills and characteristics, he's not so sure.

What is indisputable is that new technology in general has already transformed business education, most notably the MBA. But now humans are fighting back.

This is good news for sociable MBA students. You don't have to be lonely any more. If you want to learn to change the business world from your bedroom, surrounded by rumpled bedclothes and stale socks, you still can. But, increasingly, business schools are welcoming students back on to campus.

Some have already done so, and three more schools have told the FM that they plan to follow suit in 2024. They say they are answering a concerted call from students and, in many cases, the employers that pay their fees, to provide face-to-face classroom teaching.

## THE BURNING QUESTION

What does it cost to study for an MBA/MBL? (R)\*

Cape Town	<b>304,010</b>
Da Vinci	<b>179,000</b>
Durban Technology	<b>153,470</b>
Free State	<b>158,015</b>
Gibs	<b>376,848</b>
Henley	<b>356,000</b>
Mancosa	<b>99,850</b>
Milpark	<b>248,720</b>
Nelson Mandela	<b>126,543</b>
North-West	<b>224,290</b>
Regenesys	<b>299,000</b>
Rhodes	<b>178,574</b>
Stellenbosch	<b>316,864</b>
Turfloop	<b>117,000</b>
Tshwane	<b>168,250</b>
Unisa	<b>242,311</b>
Wits	<b>300,265</b>

\*These are minimum fees. Check with individual schools for the cost of extras, such as international study tours, books, accommodation, meals, etc. Different study formats may cost more. In some cases, non-SA students face a surcharge.

Source: Lodestar

## PREFERRED CHOICE

If cost and location were not an issue, what business school would graduates have chosen? (%)

Gibs	<b>31</b>
Stellenbosch	<b>21</b>
Henley	<b>16</b>
Cape Town	<b>14</b>
Wits	<b>7</b>
Mancosa	<b>3</b>
Regenesys	<b>2</b>
Rhodes	<b>2</b>
Others	<b>4</b>

It won't be exclusively face-to-face — online education has taken too strong a grip to be suddenly ditched — but the past three years have shown that, whatever the convenience of online, the desire for human interaction remains.

There are limits. Leenta Grobler, head of the MBA programme at North-West University Business School, says plans to reintroduce wholesale face-to-face teaching were put on hold when students and employers balked at the time commitments.

None of this is unique to South Africa. Around the world, students are demanding a break from gazing interminably at computer screens. A report from the European Foundation for Management Development talks of "a renewed interest in traditional, in-person education".

It's a similar picture in South Africa. Market research for this cover story shows that only 13% of public and private sector companies want employees to study exclusively online for their MBA (see "Facing up to Change" table).

## BRAND CONFIDENCE

From which business schools would employers be confident to employ an MBA/MBL graduate?

	(%)
Gibs	73
Wits	63
Cape Town	57
Stellenbosch	56
Henley	52
Unisa	20
Milpark	18
KwaZulu-Natal	13
Mancosa	13
Johannesburg	11
Free State	10
Rhodes	9
Nelson Mandela	9
North-West	9
Regenesys	7
Regent	4
Tshwane	3
Turfloop	2
Durban Technology	2

## KEEPING THEIR DISTANCE

2023 MBA/MBL student intake at participating schools

Applications  
**7,483**

Acceptances  
**3,746**

Enrolments  
**2,679**

Distance, no face-to-face  
**1,120**

Distance, some face-to-face  
**989**

Part-time  
**517**

Full-time  
**53**

Source: Lodestar

In favour? "Online allows for maximum concentration with no outside disturbance," says one company. To which another replies: "The true value of an MBA is in debating details with [fellow students], face-to-face discussions with faculty staff, building a rapport and developing your network by solving challenges in the same space as your cohort colleagues. This cannot be achieved remotely."

Once again, there are limits to this attitude. Grobler and some others report that companies are reducing MBA sponsorship of employees. "They feel that they are paying people to be away."

Graduates who completed their studies during Covid are overwhelmingly negative (72%) about missing out on the expected student experience. Besides the loss of classroom contact, a major gripe of studying from home was that there was "no distinction between work and home chores".

Some students, though, couldn't have been happier. Says one: "Covid had a positive impact on my MBA experience. Working from home gave me more time, and time was what I needed."



## FACING UP TO CHANGE

How would employers like MBAs to be taught? (%)



## HIGHER HIRE

Are employers more likely to promote MBA/MBL graduates and pay them more? (%)

	Promote	Pay more
Yes	65	49
Don't know	20	25
No	11	26
Other	4	-

Source: Lodestar

## CLASSROOM OR DISTANCE?

What MBA/MBL programmes are available?

**Full-time:** Cape Town, Gibs, Regenesys

**Distance, with some face-to-face:**

Cape Town, Durban Technology, Free State, Gibs, Henley, Nelson Mandela, Rhodes, Stellenbosch, Turfloop, Unisa, Wits

**Part-time MBA, with evening/weekend classes:** Gibs, Nelson Mandela, North-West, Regenesys, Tshwane, Wits

**Distance, with no face-to-face:** Da Vinci, Mancosa, Milpark, Regenesys

Source: Lodestar

## NO TIME TO WASTE

What % of students graduate within the set time?



Most new students registering for 2023 MBAs opted for programmes with some level of “live” human contact. Business schools are keeping their options open, with a growing selection of study alternatives. There is something for almost everyone in a world demanding that everything be personalised.

As a speaker remarked at an MBA expo in Joburg this month: “Selecting an MBA has become a minefield: full-time, part-time, hybrid, blended, distance, online, one-year, two-year and even five-year programmes, synchronous, asynchronous, block release study, weekend studies ... How do you begin to choose?”

What does this all mean for the future of MBAs? That’s the catch. No-one can be certain, says Peet Venter, academic director at Unisa’s Graduate School of Business Leadership. “We’re all guessing what the best MBA model should be but we can’t be sure. We may think we know but we have to be prepared to be wrong.”

Johannesburg Business School (JBS) academic head Tankiso Moloi can attest to that. Online MBA teaching sessions traditionally happen during evenings or at weekends. JBS decided to experiment with 6am-9am weekday lessons, to see if there were any takers. There were — far more than



expected. The early-morning shift, allowing students to complete their classwork before the working day, is now a popular part of the MBA programme.

Other schools are experiencing similar demand. At North-West, Grobler says students are even asking to sit exams at 6am.

## HENLEY CLIMBS THE CHARTS

In employers' opinion, which SA business school has the best overall reputation?

	(%)
Gibs	35
Henley	25
Cape Town	14
Wits	8
Stellenbosch	6
Unisa	2
Milpark	2
Regenesys	2
Mancosa	2

## ACCREDITATION OVERLOAD

What accreditations do business schools have, and (what have they applied for)?

	CHE	Amba	AACSB	EQUIS	Ceeman	AABS
Cape Town	●	●	●	●	○	●
Da Vinci	●	○	○	○	○	●
Durban Technology	●	○	○	○	○	○
Free State	●	○	○	○	●	○
Gibs	●	●	●	●	●	●
Henley	●	●	●	●	○	●
Mancosa	●	○	○	○	○	○
Milpark	●	●	○	○	○	○
Nelson Mandela	●	●	○	○	○	○
North-West	●	●	●	○	○	●
Regenesys	●	○	○	○	○	●
Rhodes	●	●	○	○	○	○
Stellenbosch	●	●	●	●	○	●
Turfloop	●	○	○	○	○	○
Tshwane	●	○	○	○	○	●
Unisa	●	●	○	○	○	○
Wits	●	●	●	○	○	●

● Actual accreditation ● Only application

**CHE:** Council on Higher Education (SA)

**Amba:** Association of MBAs (UK)

**AACSB:** Association to Advance Collegiate Schools of Business (US)

**EQUIS:** European Quality Improvement System

**Ceeman:** Central and East European Management Development Association

**AABS:** Association of African Business Schools

Source: Lodestar

Some academics argue that this is all part of the post-Covid transition to a new way of everything. Stellenbosch Business School MBA head Jako Volschenk isn't so sure. He says: "We are still battling to understand what post-Covid means or if we are indeed post-Covid."

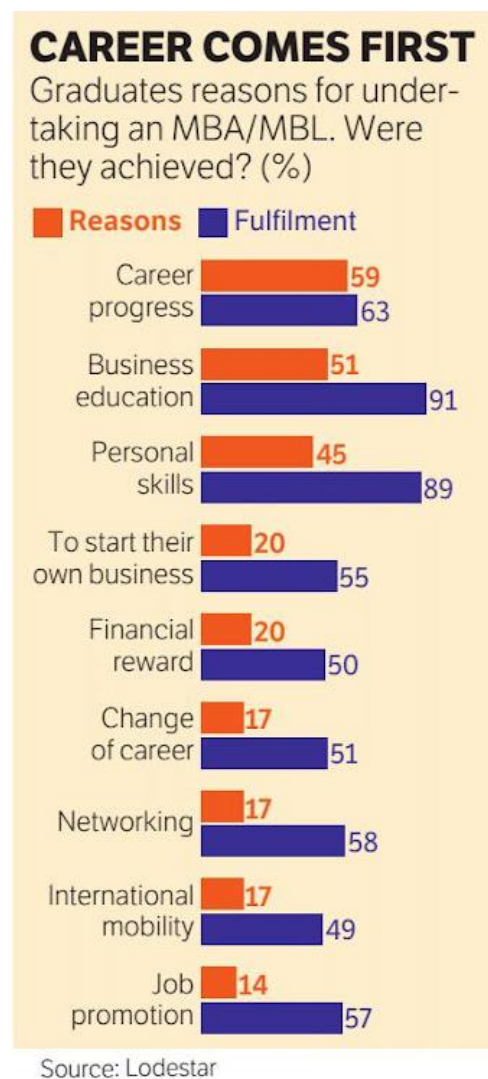
Management College of Southern Africa academic director Paresh Soni suggests that the term "post-Covid" gives people a "certain level of comfort" because it suggests they are in a new era over which they have some control. But "I wouldn't like to try to define what the world is going to do".

The “new normal”, if there is such a thing, is throwing up countless challenges for business schools, says Volschenk. “Bosses say to us: ‘How do I work with people I never see?’ We are still trying to come to terms with what remote working means, and how we prepare students for that.”

He adds: “Academics are starting to catch up on this but it’s a grey area in the market.”

This future uncertainty provides a “brilliant opportunity” for business schools to reassess everything they do, says Soni. “There’s no one silver bullet solution. Instead, we should all take a fundamental relook at the way we operate. The situation forces us to face up to what we are teaching, assessing and creating.”

For example, the executive of the future will need to understand not just AI but also issues such as cybersecurity. “How do we integrate these into the MBA when it is not a technical degree?” he asks.



### SKILLS SETS

What business skills do employers associate with MBA/MBL graduates?

	(%)
Decision-making	75
Application of knowledge	69
Problem-solving	64
Strategic insight	64
Leadership	62
Strategic planning	59
General management	58
Change management	56
Emotional intelligence	56
Communication	55

Many elements of pre-2020 MBA education remain. One is the steady decline of the full-time South African MBA. Only three business schools — Regenesys, the Gordon Institute of Business Science (Gibs) and the University of Cape Town’s Graduate School of Business (GSB) — still offer one.

Of 7,483 applications to study an MBA in 2023 at the 17 business schools participating in our research, only 164 were for a full-time programme. Just 53 of those actually enrolled, from a grand total of 2,679 new MBA students.

Wits Business School is considering the reintroduction of its full-time MBA, which it halted some years ago, but is gauging market demand before it commits. “It’s on the horizon,” says academic director Logan Rangasamy.

Being such an exclusive product may explain why the cost of a full-time MBA has risen faster than for other forms of study. Since last year, the average full-time fee has increased from R276,308 to R326,616. For others, it’s up from R214,711 to R234,305.

However, as can be seen from the table “The Burning Question”, it’s hard to draw a direct competitive line between different schools’ fees without putting readers to sleep with detail. For example, some schools’ fees include the cost of an international study tour. At others, it’s an extra, costing up to R133,000.

Then there are the different forms of MBA. At Regenesys Business School, for example, a distance MBA will cost you R199,000 and a full- or part-time one R299,000. At the GSB, a standard MBA is priced at R304,010, and an executive version at R428,180.

## THEN AND NOW

How have graduates’ annual salary bands changed? (%)



## LET ME IN!

Key acceptance criteria for MBA/MBL programmes at participating schools

Schools	
Previous study transcripts	17
Work experience	17
CV	16
Proof of previous study	16
Interview	15
References	13
Management experience	12
Language assessment	10
Written essay	10
Personal statement	9
Psychometric testing	9
GMAT	8
Minimum age	6

Source: Lodestar

If you are a foreign student, particularly from outside Africa, you can also expect to pay a handsome surcharge for studying at a number of South African business schools.

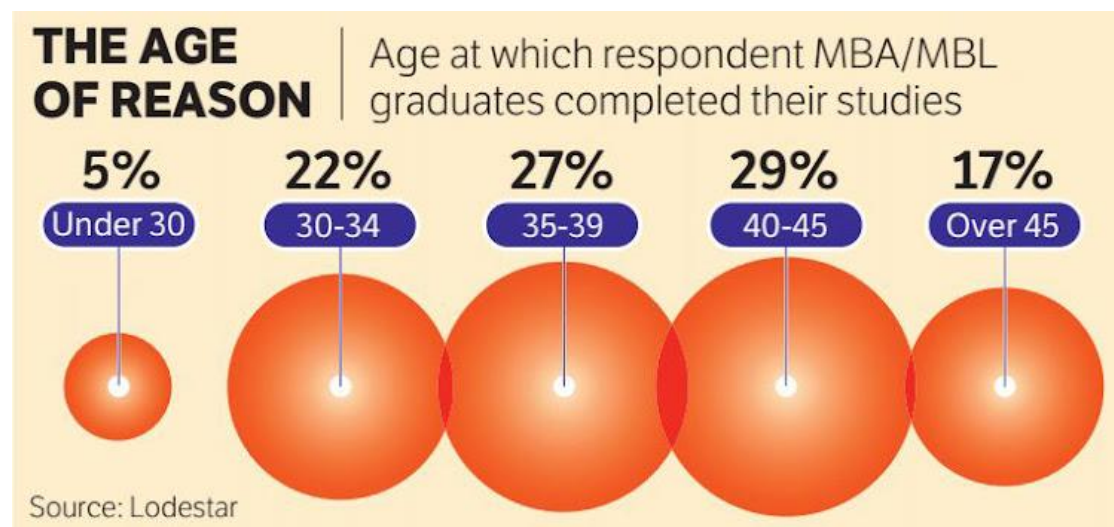
Nothing much has changed, either, in the reasons people pursue an MBA — or the disappointment many feel because of unrealistic expectations. Research among graduates who enrolled to improve their business skills shows they were happy with the outcome. Those who saw an MBA as their ticket to rapid promotion and pay rises were less impressed — though research shows that bosses do tend



to look more kindly on those with the degree than those without. On the other hand, those bosses seem less impressed with graduates' new skills than the graduates themselves.

Gibs remains the brand favourite for both employers and graduates. Traditional fellow-giants Stellenbosch, the GSB and Wits remain in contention but Henley Africa continues its relentless march up the perception charts. Bear in mind, though, that most employers approached for this cover story are Gauteng-based, reflecting the province's economic dominance.

Bear in mind, too, that all South Africa's MBA programmes are accredited by the Council on Higher Education, meaning they meet or surpass set standards. But each business school has its own target market. Even the highest-profile MBA can be thoroughly unsuited to some candidates' career path.





## Has the problem of racial representation solved itself?

With the overwhelming number of MBA students today being black, some business schools believe affirmative selection is no longer necessary. Others disagree

by MUDIWA GAVAZA



Picture: 123RF/ANDRIY POPOV

Increasing the number of black MBA students has been a long-term goal of South African business schools. Now, with black students in an overwhelming majority, many say affirmative selection is no longer necessary. There is also debate over the need to continue with a programme that reserves up to 10% of places for people without the requisite academic qualifications.

As recently as 20 years ago, many MBA classrooms were strikingly white. That has changed. Of the 6,050 South African students now studying for an MBA at the 17 schools taking part in our research, 4,510 — almost 75% — are black.

Da Vinci Business School CEO HB Klopper believes schools should continue to increase their black ratios “because black students are still underrepresented in the corporate world and an MBA degree can help them to close this gap”.

Klopper appears to be in a minority. Rhodes Business School director Owen Skae acknowledges the need for the student body to be “diverse, equitable and inclusive”, but he doesn’t believe schools “need to be specific in proactive recruitment of black students, as the numbers show that the MBA is a degree of choice for black professionals”.

Wits Business School (WBS) acting MBA director Mills Soko says: “We have no quota for blacks or whites. The demographics take care of themselves.”

Henley Africa dean Jon Foster-Pedley tells the FM that MBA enrolments and graduations at the school have been at record levels in recent years. Of students enrolled now, about 68% are black — “a level that was reached several years ago and has been organically maintained ever since”. He adds that women account for about half of MBA students — in line with the average at other schools.

Kobus Jonker, director of the Tshwane School for Business & Society, says the challenge lies not in attracting black students but in finding the black academics to teach them. Though numbers are increasing, they are well below where schools would like them to be.

He says: “I don’t think positive transformation is necessary in MBAs any more. It happens naturally. But we still need to transform the business school staff component. I don’t think we have enough

black people coming through, particularly with a business background. When they do emerge, they tend to be snapped up by business and industry, which can pay them more. But there are some dynamic young black professors coming through.”

### **We have no quota for blacks or whites. The demographics take care of themselves**

Other schools share that view. Where there is less unanimity is on the issue of reserving MBA places for people without the academic qualifications to study for a master’s degree but with the business experience and acumen to do so. This “recognition of prior learning” (RPL) is theoretically colour blind, but was introduced with black students in mind — notably those whose education was limited by the system’s failings or through their personal circumstances.

As a master’s degree, entry to the MBA should be limited to students with an honours or equivalent qualification, such as a business-based postgraduate diploma. The MBA, however, has always had a split personality. Whatever its academic level, it has traditionally been considered a “professional” degree, intended to impart hands-on, practical management and leadership skills.

It’s a point of contention among the country’s business schools — more so since the MBA was raised from a level 8 qualification under the National Qualification Framework to level 9, says Paresh Soni, academic director of the Management College of Southern Africa. “That made it more of an academic qualification,” he tells the FM. “Traditionally, people come to the MBA for management education; the higher requirement makes that difficult.”

For Sean Jugmohan, acting head of the department for executive education at Durban University of Technology Business School, RPL has its place in MBA intake. “We recognise the importance of practical experience [in providing] access to formal qualifications, and accord applicants an opportunity without compromising on the quality and credibility of the qualifications,” he says.

But, he adds: “Schools need to be more flexible in their admissions criteria. For example, they could consider accepting students with relevant work experience or who have completed a bridging course.”

Joe Musandiwa, MBA programme manager at Turfloop Graduate School of Leadership at the University of Limpopo, is also in the RPL enrolment camp — however, he says, there needs to be a set process in place. “At the University of Limpopo, there is a rigorous RPL process that is administered before any student who does not have prerequisite entry requirements is accepted in the programme,” he explains. “The process [is] to ensure that a particular student may stand a better chance of succeeding.”

Skae makes a similar point: “It is essential that the criteria for admission are consistent and based on a portfolio of evidence that meets the rigours of the programme.”

### **We recognise the importance of practical experience [in providing] access to formal qualifications, and accord applicants an opportunity without compromising on the quality and credibility of the qualifications**

Some schools argue that the 10% allocation should be increased to 20%, to create more opportunities for businesspeople who would benefit from the wide-ranging skills offered by an MBA.

Jonker, however, believes the current 10% is adequate. And Leenta Grobler, MBA head at North-West University Business School, says bluntly: “Twenty percent is excessive.” Schools must protect the quality and integrity of their qualifications. She says RPL students should rather be directed towards a pre-MBA postgraduate diploma. If they manage that, they can move on to the “real thing”.

RPL recruitment is not compulsory; 10% is the maximum, not a target. For some schools it’s become almost irrelevant. WBS has admitted one RPL candidate in the past three years, says academic director Logan Rangasamy. Johannesburg Business School hasn’t taken in any this year. The

institution has “a cautious approach and is studying the process”, says academic director Tankiso Moloi. But, he adds, the school doesn’t “look at the colour of MBA candidates”.

One university that does have a strong focus on RPL is Unisa — South Africa’s largest tertiary education institution. But it is not so much the case at the business school. “We don’t apply any affirmative student selection,” says Peet Venter, academic director of the Graduate School of Business Leadership. “We haven’t had huge numbers at the school. On our MBA and MBL programmes we probably admitted one RPL student each this year. But we will most likely use our website to make more people aware of RPL existence.”

## Fresh ideas for future MBAs

Business schools hope leadership changes and new programmes will give them the edge

by DAVID FURLONGER



Mark Smith, resigned as director of Stellenbosch Business School. Picture: SUPPLIED

Mark Smith's early resignation as director of Stellenbosch Business School not only disturbs the school's equilibrium but also robs the South African business schools sector of a leading voice in its quest to be heard internationally.

After Smith accepted the post in 2020, replacing Piet Naudé, the department of home affairs took more than a year to complete the paperwork allowing him to enter South Africa. Now he's leaving, two years before his contract expires, because he says his wife and stepdaughter are prevented from permanently joining him. Temporary visas, which they have been offered, aren't enough.

Family comes first, says Smith, so he's returning to France, whence he was hired and where his family still lives, to find other academic work, either there or in a neighbouring country. He will continue with some Stellenbosch lecturing and to supervise PhD students, but regrets having to leave South Africa.

While the school seeks a permanent replacement, Charles Adjasi, a Ghanaian academic who has been at Stellenbosch for more than 10 years, will act in the position from November 1. He is the school's head of research and a professor in development finance and economics.

Some of Smith's strategic goals, such as a reappraisal of academic programmes, are well advanced, but others are some way from completion. One he particularly regrets having to step back from is championing the international cause of the South African business schools community.

Despite a welter of international accreditations and rankings for various schools, UK-born Smith says the local sector often underestimates the respect with which it is held in other countries. The appointment of foreign academics such as Smith and American Catherine Duggan, director of the University of Cape Town's Graduate School of Business (GSB), is an opportunity not just to bring outside thinking to South African business education but also to give it a global voice.

Smith says Morris Mthombeni, dean of the University of Pretoria's Gordon Institute of Business Science (Gibs), has been a valuable ally in promoting local business schools' international cause.



Randall Carolissen: Rapid improvement in health-care management can be achieved within Africa. But teaching must be correctly focused and relevant. Picture: SIMPHIWE NKWALI/SUNDAY TIMES

A number of other business schools are undergoing, or preparing for, changes in leadership. Segrain Nair, formerly head of the GSB's MBA programme, became director of Milpark Business School midyear. The University of the Free State Business School has appointed Nicolene Barkhuizen as its director from November 1. At present she is deputy head of the University of Johannesburg's department of industrial psychology & people management and director of the centre for work performance.

Paul Poisat has been appointed acting director of the Nelson Mandela University Business School, which has been without a permanent leader since early last year. He is an international authority on human resources, a subject he teaches at the school.

Kobus Jonker will return to the Western Cape at the end of the year after completing his five-year tenure as director of the Tshwane School for Business & Society. No successor has yet been officially announced. The school, formerly the Tshwane University of Technology Business School, has created an independent identity under Jonker. Though he admits it will take time for the school to increase market awareness, he is happy with what it has achieved so far.

What is missing, Jonker admits, is financial sustainability. Executive education, for which companies and industries pay handsomely, is the financial lifeblood of most business schools. Tshwane has had some success in attracting clients, but it needs more.



Kobus Jonker. Picture: SUPPLIED



One constraint has been teaching capacity, but with the appointment of new faculty, Jonker says: “We are now ready to grow.”

North-West University Business School, based in Potchefstroom, is looking for growth in another direction. MBA director Leenta Grobler says the school may add a master’s degree in business leadership (MBL) to run alongside its MBA.

Only two other schools offer an MBL at the moment: DaVinci Business School and Unisa’s Graduate School of Business Leadership, which also has an MBA.

The difference between the two degrees, as the name suggests, is that the MBL puts more emphasis on leadership. Both are governed by the same accreditation rules and carry the same academic status.

Unisa used to be exclusively MBL and academic director Peet Venter admits the jury is still out about the effect of adding an MBA.

MBA and MBL students, combined, number about the same as those the MBL used to attract alone. The good news, says Venter, is that enrolments for the business postgraduate diploma, usually the precursor to an MBA or MBL, are up. “It’s too early to tell if the MBA and MBL qualifications are cannibalising each other, but we are working on the vision of the MBL to distinguish it from the MBA more clearly,” he says.



Maurice Radebe. Picture: Supplied

Elsewhere, health care-focused MBAs are taking centre stage at several business schools. Stellenbosch’s is well established. Now Wits Business School and Johannesburg Business School are among others going in the same direction.

Wits director Maurice Radebe points out that health care is only one area where the school wants to specialise. Energy is another area in which it has proven expertise. Academic director Logan Rangasamy says the health care-focused MBA — aimed at people already in the industry but lacking management expertise — will start next March, and the energy equivalent in 2025.

Johannesburg Business School is looking at a similar target market. Academic director Tankiso Moloi says: “The state of health-care management, particularly in the public sector, is not good. Even if people have an MBA, they need something that meets the particular challenges they face. There is a tendency at some public hospitals to appoint doctors to executive positions. When they move to the executive suite, they aren’t ready.”

Dean Randall Carolissen adds: “We believe rapid improvement in health-care management can be achieved within Africa. But teaching must be correctly focused and relevant.”

## **WHO AND HOW: BEHIND THE RESEARCH**

This is the 24th edition of the FM's annual MBA review, which we published for the first time in 2000. Market research was conducted by our long-term partner, Lodestar Marketing Research.

Seventeen business schools provided us with details of their MBA programmes. They are: DaVinci Business School; Durban University of Technology Business School; the Gordon Institute of Business Science at the University of Pretoria; Henley Africa Business School; Management College of Southern Africa; Milpark Business School; Nelson Mandela University Business School; North-West University Business School; Regenesys Business School; Rhodes Business School; Stellenbosch Business School; Tshwane School for Business & Society; Turfloop Graduate School of Leadership at the University of Limpopo; University of Cape Town Graduate School of Business; University of the Free State Business School; Unisa Graduate School of Business Leadership; and Wits Business School.

We then asked 308 employers of all shapes and sizes, from across South Africa, for their views on the business schools with whose MBA programmes they are familiar, as well as their perceptions of others. We also wanted to know how they think business schools can improve their delivery. Of these employers, 63% were in the private sector, 32% were in the public sector, including state-owned enterprises, and 5% were NGOs.

Finally, we contacted 539 MBA graduates to ask if their programmes they had studied had lived up to expectations and what they thought the main benefits from the experience were.