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## Comments from the Property Industry on Masters Real Estate Curricula in South Africa

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### ABSTRACT

**Purpose:** The aim of this paper is to report comments given in a survey of property professionals in the industry on Masters Real Estate (MRE) curricula in South Africa.

**Methodology:** A questionnaire was administered to obtain comments from property professionals in the industry on MRE curricula in South Africa.

**Findings:** The property industry survey revealed that MRE curricula in South Africa have both strengths and weaknesses. The main strength of the curricula noted by the property professionals is that the curricula are interdisciplinary. Weaknesses reported include lack of case studies and practical components in the curricula.

**Research limitations:** Results of the survey will not directly influence change to the processes of curriculum development for postgraduate real estate education in South Africa. Curricula development will largely depend on outcomes of discussions of lecturing staff and university administrations implementing the courses.

**Value:** The study will support processes of curricula improvement for MRE programmes in South Africa

**Keywords:** Masters Real Estate curricula, property industry

## 1. INTRODUCTION

MRE curricula taught by coursework which are offered in South Africa are given in Table 1. As part of the process of assessment of these curricula, property professionals in the industry were asked to give comments on the curricula. Justification for the survey is based on the fact that postgraduate real estate curricula in South Africa were developed without conducting more detailed property industry surveys to determine curriculum requirements (Cloete, 2002; Chikafalimani and Cloete, 2007; and Chikafalimani and Cloete, 2010). In addition, practitioners in the industry have an important role to play in the processes of real estate curriculum improvement (Gallupo and Worzala, 2004). Topics included in MRE curricula in South Africa are shown in Table 2.

## 2. LITERATURE REVIEW

The property industry is a changing environment with new regulations and requirements being introduced regularly (Callanan and McCarthy, 2003). In order to produce graduates who are meeting industry requirements, it is important for universities to obtain comments from property practitioners to be used in curriculum improvement processes. Massey University involved employers in its process of curriculum review to produce learning that is recognisable by the industry (Callanan and McCarthy, 2003).

Butler, Guntermann and Woverton (1998) indicate that the intention of a curriculum is to graduate students who are better prepared to assume positions in the property industry. They noted too that this can be achieved when educators seek input from leading practitioners to assist in defining knowledge and skills required in a real estate curriculum. In addition, the multidisciplinary perspective of real estate studies which is covered more fully in built environment / planning schools and preferred by the industry for preparing students well for the industry must be supported by educators (McFarland and Nguyen, 2010; Chikafalimani and Cloete, 2010).

The property discipline today is also subjected to extraordinary forces that redefine its attributes and introduce new expectations for those with property involvements (Roulac, 2002). A comprehensive understanding of these factors by interacting with the industry can support educators in the process of curriculum improvement. Some of the prominent forces and factors which have caused change in the industry include: urban form changes and problems; globalisation; information technology advances and environmental concerns (Chikafalimani and Cloete, 2008). As a consequence, a larger view of the requisite knowledge for the property discipline in the 21<sup>st</sup> Century is significant (Roulac, 2002).

**Table 1: Details of Masters Real Estate programmes in South Africa**

University & Dept / School	Name of degree	Admission requirements	Period	Delivery	Total credits
Pretoria (Construction Economics)	MSRE	.Hons, 4 or 5 yr relevant degree	2 yrs and treatise	8 block weeks	230

		Work experience			
Witwatersrand (Construction Economics & Management)	MSPDM	Relevant good bachelors degree Work experience	1 yr full time, 2yrs part time & treatise	1 week block release	180
Cape Town (Construction Economics & Management)	MSPS	Hons or 4 yr relevant bachelors degree Work experience	2 yrs & treatise	Block system	180
Free State (Quantity Surveying & Construction Management)	MPS	Relevant good bachelors degree	2 yrs & treatise	8 work-shop weeks	240
Nelson Mandela Metropolitan (Construction Management & Quantity Surveying)	MSBE	Relevant good bachelors degree .Work experience	1 yr full time, 2 yrs part time and treatise	4 or 5 block weeks	202
<b>Key:</b> MSRE: Master of Science in Real Estate MSPDM: Master of Science in Property Development and Management MSPS: Master of Science in Property Studies MPS: Master of Property Science MSBE: Master of Science in Built Environment					

However, Manning and Roulac (2001) lament that while it is appreciated that innovations have been introduced to improve university education to serve society and the industry, it is widely recognised that university education is being slower to respond than institutions in society to recent social, technological and economic changes. This study was undertaken to partially address this criticism by ensuring that MRE education in South Africa remains relevant to the industry.

**Table 2: Topics included in MRE curricula in South Africa**

	<b>Topics</b>
1	Property finance
2	Property development
3	Property investment
4	Property economics
5	Property valuation
6	Property management / Facilities management
7	Financial management
8	Property law
9	Building economics
10	Research
11	Property marketing
12	Construction contract law

13	Property tax
14	Building technology
15	Environmental economics & management
16	International real estate
17	Information technology
18	Corporate strategy

### 3. RESEARCH METHODOLOGY

To collect comments to be considered in MRE curricula from the industry, a questionnaire survey was administered. Property professionals were presented an open-ended question to gather comments on the curricula. Included in the questionnaire was a list of eighteen topics covered in MRE curricula in South Africa shown in Table 2. The questionnaire was sent to 777 property professionals in South Africa; 748 of these were delegates who attended the 38<sup>th</sup> South African Property Owners Association (SAPOA) International Convention and Property Exhibition held at the International Convention Centre in Durban, South Africa and 29 were first and second year students enrolled in the Master of Science in Real Estate programme at the University of Pretoria in South Africa. Out of 777 questionnaires sent, 250 questionnaires were returned, representing a 32.2% response rate. The SAPOA members and delegates were surveyed because SAPOA is the representative body and official voice of leading property owners and investors in South Africa, and delegates represented both the private and public sectors of the property industry. SAPOA members include property professionals from different real estate fields and geographical areas in South Africa. This minimises response bias. MSc (Real Estate) students studying at the University of Pretoria were included in the property industry survey because most of them are working and know what is expected in the workplace.

Table 3 provides descriptive statistics of the survey respondents. By qualification, 86.4% of the respondents had formal university education. With regard to work experience, 23% were recent graduates with 0 to 5 years of experience. Comments from this category were based on recent university real estate course content. Respondents with 6 to 15 years work experience were the largest cohort group representing 41.2%, while those with 16 years or more of experience represented 35.2% of respondents. The last two categories are considered more experienced and are employers or mentors of the recent graduates. Geographically, statistics show that all provinces in South Africa were represented by respondents in the survey. In addition, 5.6% of the respondents operated internationally, indicating that real estate business was indeed growing and gaining importance globally (Roulac, 2002; Schulte and Schulte-Daxboek, 2003).

### 4. RESULTS AND ANALYSIS

As expected from an open-ended question, a variety of comments were submitted. Some comments were not helpful. However, most of the comments given were constructive and could contribute significantly

towards curriculum improvement.

When the comments from the practitioners were analysed it is noted that they are diverse in nature and comprise of two main groups: (a) weaknesses of the curricula and curricula needs; and (b) strengths of the curricula. One important comment given by the professionals related to the strength of the curricula is that the curricula are comprehensive. This means that the MRE curricula in South Africa are interdisciplinary and contain all topics required for a graduate to function competently in the industry as a property professional. These topics are given in Table 2.

**Table 3: Description of Statistics of Survey Respondents**

	<b>No.</b>	<b>%</b>
<b>Qualification</b>		
Matric	19	7.6
Bachelor's degree	77	30.8
Honour's degree	66	26.4
Master's degree	70	28
Doctorate degree	3	1.2
Other	15	6
Total	250	100
<b>Current Property Industry Involvement<sup>a</sup></b>		
Academic / trainer	22	5.5
Property Developer	80	19.8
Property Valuer	37	9.2
Property / Facilities Manager	72	17.8
Property Investor	48	11.9
Property Broker / Marketer	35	8.7
Property Finance	55	13.6
Property Economist	6	1.5
Building Contractor	11	2.7
Other	38	9.4
Total	404	100
<b>Category of Years of Experience</b>		
0 to 5 years	59	23.6
6 to 15 years	103	41.2
16 to 42 years	88	35.2
Total	250	100
<b>Geographical location</b>		
Gauteng	138	55.2
Northern Cape	1	0.4
KwaZulu-Natal	27	10.8

Eastern Cape	5	2
Mpumalanga	3	1.2
Western Cape	27	10.8
Free State	2	0.8
National	33	13.2
International	14	5.6
Total	250	100
Note: <sup>a</sup> Some respondents reported more than one property industry involvement so the total is > 250		

Some of the critical weaknesses and curriculum needs raised by the professionals in the survey are:

- Inadequate practical component in the curriculum;
- Lack of case studies.
- Consider writing / communication skills.
- Involvement of guest lecturers.
- Experienced lecturers are ideal for valuable education.
- Graduates require an understanding of what is expected of them in an employment environment, often graduates are clueless when inducted into an employment environment.
- Curriculum must include real estate issues for the entire Southern Africa region because a good number of students attending courses coming from there.
- Curriculum must be relevant in South Africa.
- Site visits and discussions with industry professionals must be included.
- Invite motivational speakers.
- All assignments must be based on practical problems.
- Experiential learning must be considered.
- Modules should not be seen in isolation because project success is determined by a combination of information obtained from several modules.
- Students should have basic property knowledge before undertaking these studies.
- Consider social aspects of property development.
- Property courses related to property or land ownership and redistribution initiatives must be considered in South Africa, including black economic empowerment, property and construction charters.
- Students should be grouped and produce a full property development and management mock assignment.
- Organise property development educational tours.
- Issues on how to deal with tribal or customary land for development must be considered.
- Consider business skills.
- Consider issues of leadership.

In terms of ranking of the comments by response frequency, responses on comment 'inadequate practical component' ranked first. Second is 'case studies'. Ranked third are demands for 'writing / communication skills, guest lecturers, and experienced lecturers'. Based on these results, two important concerns are raised by the property professionals. Firstly, the existing curricula are not covering adequately the practical issues required in the industry. This requirement could be based on the fact that 'practicals' supported students to immediately become productive when they join the workplace. The finding is in line with a recurring theme in research which continues to emerge: a graduate programme must possess an appropriate blend of theory and practice to succeed in the eyes of the property industry (Gallupo and Worzala, 2004). Secondly, the industry is demanding that writing / communication skills be emphasised in the existing curricula. This result is again in line with observations noted by Gibler (2001) and Miles and Trefzger (2006) that there is a continuing high demand for effective writing and communication skills in the workplace.

## 5. CONCLUSION

Results of the property industry survey show that MRE education programmes offered in South Africa have both strengths and weaknesses. The main strength of the curricula is that property professionals commented that the curricula are comprehensive in nature. The impression given by the practitioners is that property should be viewed broadly, and for graduates to function competently in the industry they need to be exposed to different topics relevant to proper understanding of property. The practitioners are in favour of the interdisciplinary approach to the study of real estate.

In the survey two main weaknesses of the curricula were identified. Firstly, respondents express a general feeling that even though the existing postgraduate real estate curricula in South Africa are traditionally strong, they have not adequately prepared property professionals to deal with new challenges and needs which have emerged in the industry. Respondents feel that the existing postgraduate real estate curricula in South Africa have not adequately exposed students to practical property issues. The opinion of the practitioners is that the curricula are putting too much emphasis on theory and not on property practice. Secondly, the practitioners have pointed out through the survey that they want experienced lecturers to be involved in the teaching of MRE students. This makes sense because most of the postgraduate real estate students are working and it is inappropriate for them to be taught by less experienced lecturers since they do not add value to their studies (Hardin, 2000). In conclusion, it is then recommended that the universities offering MRE programmes in South Africa and elsewhere, consider comments given by the property professionals in the survey in the processes of curriculum improvement and development in the future in order to meet industry requirements.

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