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# Service-learning in MBA degree programmes in South Africa

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# Chapter 1: INTRODUCTION

> A country's competitiveness relies heavily on the development and retention of its human capital.
>
> (Thomas 2005:57)

> The government has embarked on an intense drive to harness and improve the skills of South Africans to ensure accelerated economic growth . . . professional skills in engineering, science, finance and management, as well as technical and artisan skills are critically needed as the South African economy moves into higher gear, the government has said.
>
> (SAInfo 2006c:1)

This research is primarily about MBA education, and secondarily about Service-Learning as pedagogy. The purpose of the research was to establish the merit of pursuing the implementation of Service-Learning in MBA courses by evaluating and assessing the value to the business sector, the social sector and to higher education.

There are very few published examples worldwide of where this has taken place, and it has not, until this study, been attempted in South Africa.

Service-Learning is a pedagogy whereby students acquire both knowledge and workplace skills by performing curriculum-based services or activities for non-profit or other community organisations (Bringle and Hatcher 1995; Bringle 2005). Students receive credit for their academic achievements and the community organisations should receive, in this case, valuable and relevant business benefits and skills from the MBA students.

The study aims to demonstrate that Service-Learning in an MBA programme adds the dimension of practical workplace learning in a real-world context to the theoretical learning required for the course in which it is implemented. In addition the students learn the generic management skills encompassed by the South African Qualification Authority's (SAQA) Critical Cross-Field Outcomes (CCFOs) as described previously

(Carmichael and Sutherland 2005; Carmichael and Stacey 2006). The community organisations are expected to benefit in a real sense from MBA students' sharing of their business expertise and practical interventions so that they may more efficiently provide for the communities that they serve, who in turn would hopefully become more economically active.

This latter aspiration is not addressed here, but could be the topic of further, probably longitudinal, investigation. Another anticipated long-term benefit could be that students who have participated in Service-Learning courses become more civic minded, and implement effective Corporate Social Responsibility (CSR) or Corporate Social Investment (CSI) programmes in their own organisations, again to the betterment of all South Africans. However this type of impact could only be realised with country-wide implementation of the practice.

The use of the capital S and capital L in the term Service-Learning, and their hyphenated link reflects that both service and learning are important, are equally important and are linked (Bringle and Hatcher 1995).

## 1.1 The economic background to the problem

In the early post-apartheid years, the South African economy showed largely jobless growth around capital rather than labour investment (Heintz 2000). This was due partly to structural unemployment resulting from the inequitable distribution of skills and qualifications (Fields 2000) and this fundamental weakness of the economy has been reported persistently in international competitiveness surveys and ratings (IMD 2001, 2004, 2006). However, despite lower inflation, increased growth, increased Foreign Direct Investment (FDI), along with other important fiscal achievements (DTI 2006a) and the country's improved competitiveness ranking over recent years from being near the bottom of the list in 2001 to it's current 44$^{th}$ position out of 60, South Africa has remained in a state of poverty and inequality (DTI 2006b). The country has been criticised (Thomas 2005) for lacking in efficiency despite increased productivity. Thomas (2005) goes on to describe how poor business efficiency has been blamed on a lack of skilled labour, particularly in the areas of financial management and entrepreneurship, coupled with an insufficient number of managers and leaders.

Luiz (2006) supports this by describing the negative effect of globalisation on Africa's economic growth in general, both directly and indirectly by affecting factors such as human capital that contribute to growth. Luiz (2006) lays further blame for the marginalisation of African countries onto the lack of ethics and governance at many levels within the government and corporate sectors.

Poor global competitiveness does not boost economic growth (Pityana 1999), and without economic growth, poverty and unemployment are likely to continue to plague the majority of South Africans. This cycle has been reversed to a certain extent in the past few years; for example, South Africa created 658,000 new jobs in the period September 2004 to September 2005 (SAInfo 2006a), an increase of 5.7%. However, because the increase in the country's economically active population has also increased (SAInfo 2006a; DTI 2006b), unemployment has remained almost constant, and was officially given at 26.7% in September 2005.

The high level of long-term unemployment in South Africa (DTI 2006b) is an indicator that the economy is not creating the number of jobs required to sustain the growing population of employable individuals. However, it must be noted that most sectors within the economy have difficulty in filling positions for highly skilled and technical individuals (DTI 2006b) reiterating that the structural unemployment factor (Fields 2000) is still an issue.

South Africa has embarked on a strong skills development drive to address the issue of, particularly, scarce skills (DTI 2005, 2006a, 2006b). The initial drive for skills development was implemented through the skills development legislation, including the SAQA Act (RSA 1995b) and the Skills Development Act (SDA) (RSA 1998b). The implementation of this legislation was supported by the Employment Equity Act (EEA) (RSA 1998a) and a number of guideline and supporting documents (Isaacs 2000; RSA 2000a; 200b; RSA 2002a, 2002b, 2002c).

However, due to inadequate progress having been made, more recently, an even stronger drive from the government has been implemented; the topic being covered in the President's State of the Nation addresses in 2006 and 2007 (SAInfo 2006b). The Accelerated and Shared Growth Initiative of South Africa (ASGISA) (DTI 2006a; SAInfo 2006c) seeks to address key skills shortages in the country through the Joint

Initiative on Priority Skills Acquisition (JIPSA) and Black Economic Empowerment (BEE) (DTI 2005) particularly in the area of entrepreneurship development.

Small, Medium and Micro enterprises (SMMEs) account for the great majority of establishments in the formal sector (DTI 2006a), so the development of entrepreneurs and mechanisms to support them can provide self-employment opportunities to many, as well as creating jobs for others. The recent opening of the Branson School for small business (SAInfo 2005a) at Cida City Campus University is one example of support for this area of development.

The informal sector also presents opportunities for employment and economic growth (Benton 2005), and informal and community organisations will also benefit from entrepreneurial skills development, enabling communities to engage in viable business activities in order to grow, provide employment and help to overcome local poverty.

## 1.2 The role of the business sector in addressing the problem

It is clearly in the interests of the business community to support and engage with the government's efforts to boost economic activity in South Africa. It is in no way counter-intuitive for the commercial sector to support efforts that will ultimately result in a greater number of people with the financial means to become active consumers (as well as producers) of goods, thus enlarging their own existing and potential customer base without compromising the basic mission of the private sector to make profit.

The business sector is already actively involved through legislated participation in skills development at all organisational levels through the Skills Development Act (RSA 1998b). In addition, individual organisations are assisting to develop much needed managers and leaders (albeit in their own self-interest) by encouraging their developing employees to enrol in a variety of management development programs, of which the MBA has probably the highest status worldwide and is consequently often selected over other courses (Pratt *et al* 1999; van Niekerk and Penman 2002; Association of MBAs 2003; Tunca 2003). The role of the MBA degree in leader and manager development has already been published (Carmichael and Sutherland 2005) as part of the early work in this study, and will not be repeated here.

Other contributions from the business sector must include that of corporate governance (King 2002), which encompasses both ethics and social responsibility, including investment into the social sector.

The skills and abilities described above as being necessary for economic growth and development in South Africa simply serve to confirm the previously reported need for SAQA's critical cross-field outcomes (CCFOs) by Carmichael and Sutherland (2005), and again in greater depth by Carmichael and Stacey (2006), both studies constituting preliminary work conducted as part of this study.

The aspect of the business sector's role in this study continues to hone in on these skills, the need for them to run businesses in both the private and public sectors as well as the informal and non-profit sectors, and how they may be developed in MBA programmes.

## 1.3 The role of Higher Education in addressing the problem

South Africa must take up "the formidable challenge of integrating itself into the competitive arena of international production and finance" and "reconstruct domestic social and economic relations to eradicate and redress the inequitable patterns of ownership, wealth and social and economic practices that were shaped by segregation and apartheid" (RSA 1997a:4). The South African imperative to address this issue requires that institutions of higher learning set objectives to overcome "the chronic mismatch between the output of higher education and the needs of a modernising economy" (RSA 1997a: 5). To do so, universities are mandated to play a much more active role in transformation (RSA 2002b). for example:

> Higher education plays a central role in the social, cultural and economic development of modern societies. In South Africa today, the challenge is to redress past inequalities and to transform the higher education system to serve a new social order, to meet pressing national needs, and to respond to new realities and opportunities. It must lay the foundations for the development of a learning society, which can stimulate, direct and mobilise the creative and intellectual energies of all the people towards meeting the challenge of reconstruction and development (RSA 1997a:5).

Universities thus need to establish mechanisms by which to connect with and develop communities within broader civil society. Part of the required response is that universities align their teaching, learning and research policies and practices with the legislative requirements of the National Qualifications Framework (NQF) (RSA 1995), and part is that they introduce Service-Learning practices into their curricula (Wits University 2003).

The Joint Education Trust (JET) carried out the research on which this latter recommendation is based (Perold 1998), with funding from the Ford Foundation and the W.K. Kellog Foundation. The premise of the research appears to be that community service in higher education is the same as Service-Learning (Perold 1998), the primary objective being altruistic in nature. However, the concept of Service-Learning needs to, and in many cases, does, go well beyond that of community service alone (Bringle and Hatcher 1995, cited in Lazarus *et al* 2000; Talbert *et al* 2003).

Over the past two years the Council for Higher Education (CHE) has, through the Higher Education Quality Committee (HEQC), been driving the quality assurance programmes in key areas of higher education (Figure 1.1).

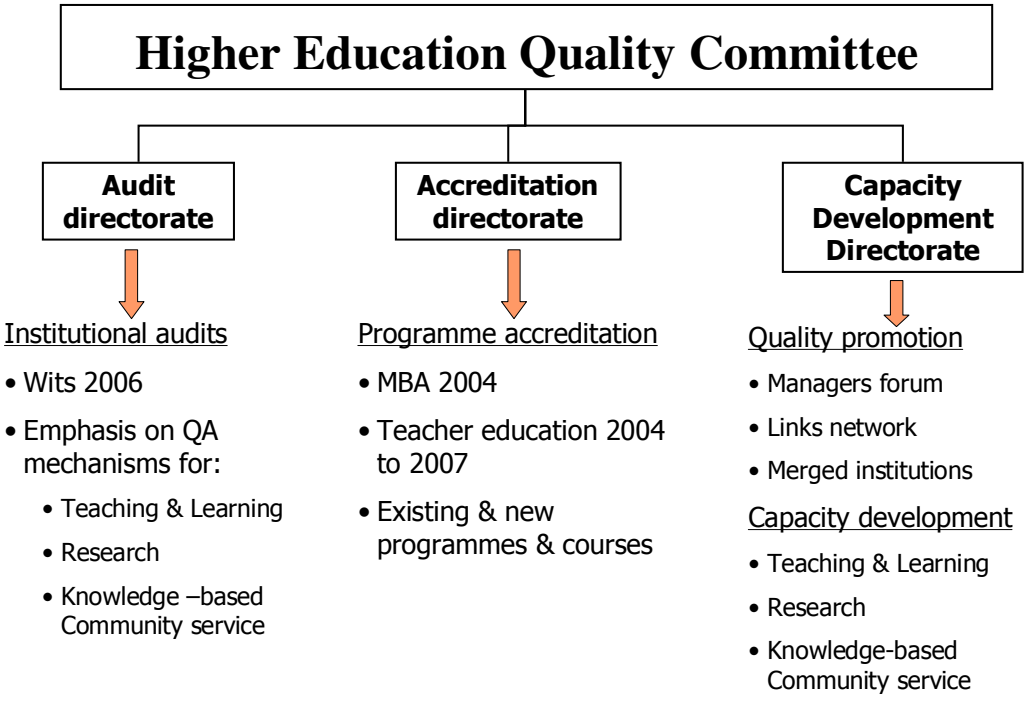



**Figure 1.1 The HEQC Directorate roles for Higher Education Transformation (CHE 2004a, 2004b, 2004c, 2004d, 2004e, 2004f)**

They have done this through the Directorates for Programme Accreditation (CHE 2004a, 2004b, 2004e), Institutional Audits (CHE 2004c, 2004d) and Capacity Development (CHE 2004f) in the key areas of Teaching and Learning, Research and Community engagement.

If universities are to implement the legislation meaningfully, it must be through their departments or faculties, since they are the educational interface with the student body, and Service-Learning requires student involvement. Service-Learning has been integrated into school and undergraduate education around the world (Berry and Chisholm, 1999), but little work has addressed postgraduate application of the methodology, and even less research has been carried out into the application and value of the methodology in MBA courses.

Strategically, business school imperatives to meet customer needs (specifically the business sector and the student body) must be integrated with the needs of other stakeholders such as the government, the parent University and civil society. The broad strategy of Wits Business School (WBS), for example, includes the elements of teaching excellence, research excellence and student / graduate excellence (WBS 2003, 2006), which, it is proposed, may be built through the integration of Service-Learning into the MBA curriculum.

The focus of this research will be on the immediate interactions between business schools as institutions of Higher Education, managers as students on MBA courses, representing both the business sector (in their management role) and the student population (in their student role) and, finally the community organisations to which they offer the benefit of their management skills.

## 1.4 Significance of the research

The foundation of this research is not altruistic in nature, but is based on the business imperative to achieve a positive return on investment (ROI), which may lead to financial, social or economic profit, depending on the nature of the organisation.

This applies to the interdependent contexts of a) the individual (management) student b) managers and leaders in all sectors, c) the business sector as an entity, d) non-profit,

(NPO) non-governmental (NGO) and other community organisations and their dependant communities, e) universities, f) business schools and ultimately g) South Africa.

### *1.4.1 Individual (management students) in their role both as students and as managers, representing the business sector*

Individuals make significant financial and non-financial investments into the rigorous undertaking of MBA programmes in order to progress upward within their organisations and attract due reward as the result of their efforts (Carmichael and Sutherland 2005). Such progression is ideally based on performance, not merely the acquisition of new knowledge, skills and worldview. The practical experience gained through Service-Learning is designed to lead to such improved performance, and organisations are encouraged to "pay what it takes to attract and retain top performers" (Chambers *et al* 1998: 50). Where Service-Learning has been implemented, graduates have developed better skills compared to those who did not select the Service-Learning methodology (Eyler *et al* 1997). There are also reports of a greater awareness of civic responsibility (Albert 2002), changed attitudes, a more solid identification of values (Eyler *et al* 1997), a solid sense of citizenship (Albert 2002) and the knowledge that they could make a difference (Wade and Yarborough 1997). Engineering students (Talbert *et al* 2003: 214) not only met their course objectives, but also achieved "more sophisticated learning . . . through application, constructive critique and synthesis".

Such development is expected to create more effective managers and leaders with a strong sense of ethical responsibility and sufficient practical experience to be immediately effective on returning to their workplace, both during and on completion of their MBA. Since it follows, *ceteris paribus*, that increased individual (manager) performance leads to increased organisational performance, and that the business sector is expected to actively recruit higher performing managers and leaders, MBA graduates should have greater control and leverage over their career capital. Business performance would be expected to reach new, high levels.

In addition, organisations making well planned investments into communities should anticipate a return from those communities in the form of increased economic activity

from which they could benefit. The important link here is to corporate social *investment* (CSI), rather than corporate social *responsibility* (CSR) if sustainable performance (Albert 2002) at all levels in society is to be created.

### *1.4.2 The community organisation context*

The benefits to community organisations will be as a direct result of interventions conducted by students, which should include capacity building within the organisations, since one of the basic principles of Service-Learning (Stacey *et al* 2001), and henceforth one of the objectives of this research is to facilitate meaningful, sustainable community organisation performance, leading to improved employment opportunities and economic activity within the communities they serve.

### *1.4.3 Universities and business schools in the context of higher education transformation*

Universities around the world are beginning to focus to a greater extent on community engagement (Reardon and Lohr 1997; Lazarus *et al* 2000; Bender *et al* 2006), although "little work has focused service-learning's impact on the larger educational institution" (Chesler and Vasques Scalera 2000:26). However, universities in South Africa have acknowledged this trend as described earlier and illustrated in Figure 1.1 and have set out transformational goals and objectives to achieve such engagement. One identified mechanism is through the implementation of Service-Learning; this research will thus support the achievement of the country's goals of transformation in the higher education system.

Business schools will benefit from the introduction of a powerful experience-based teaching / learning methodology with which to build higher performing managers and leaders (Talbert *et al* 2003). Since the graduate is the key "output" of the educationally based transformation process (Carmichael and Sutherland 2005) the reputation and competitive position of the business school will be enhanced. In addition, successful implementation of Service-Learning will be an aspect of both community engagement and corporate social investment on the part of the school.

### *1.4.4 The South African context*

The national environment could also benefit if the model to be developed here is implemented broadly. Service-Learning is inextricably linked to leadership development (Althaus 1997), collaborative enquiry (Griffith 1999), information literacy, problem solving and critical thinking (Griffith 1999; Albert 2002), systems thinking (Griffith 1999), values scrutiny (Eyler *et al* 1997), broad-based development, community enrichment and cross-cultural interactions (Chesler and Vasques Scalera 2000) in diverse communities (Griffith 1999).

All of these attributes are encouraged in terms of the National Skills Development Strategy (NSDS) (RSA 2000b) and the Human Resources Development Strategy (HRDS) (RSA 2002b) encompass a number of the CCFOs (Isaacs 2000) as well as being part of South Africa's newer skills development initiatives, ASGISA and JIPSA (DTI 2006a; SAInfo 2006c).

## 1.5 The Research Problems in context

The primary context of this study is that of MBA education. However, owing to the broad base of the study and the number of stakeholders involved, a number of research problems needed to be addressed. In articulating the problems and sub-problems, which related to a) the business context, b) the social context and c) the higher education context, it became apparent that the overarching purpose statement for the study contextualised, connected and aligned the different problems. Although it was tempting to label the purpose statement a "super-problem", this has not been done, although it could serve as a first level statement in the hierarchy of problems and sub-problems.

In addition, to allow the co-dependencies between the different sectors to be articulated, the sub-problems did not fall neatly under a single problem statement. The result was that, each context listed above (business, social and higher education) has at least one problem statement, and three of the four problem statements have sub-problems from its own plus at least one other context.

These links are made explicit using coloured connecting lines in Table 1.1, following which, the problems and sub-problems are listed linearly in the more traditional manner.

**Table 1.1 Links between the Research Problems and Sub-problems in their respective contexts**

| Overarching Purpose | The Contexts | The Problems | | The Sub-problems |
|---|---|---|---|---|
| Establish the merit of pursuing the implementation of Service-Learning in MBA courses by evaluating and assessing the value to the business sector, the social sector and to higher education | The Business context | 1 | Correlate the perceived importance of SAQA's CCFOs to players in the business sector with the extent of their development through Service-Learning | • Establish the relative perceived importances of SAQA's CCFOs to players in the business sector<br>• Identify the business benefits of MBA Service-Learning to community organisations |
| | The Social context | 2 | Evaluate the extent of matching between the business needs of community organisations and the types of support that could be supplied by MBA students | • Define the scope of "community organisations" relevant in the South African context<br>• Identify the business needs of community organisations in terms of skills development and expert support |
| | The Higher Education context | 3 | Evaluate the extent and general academic quality of student assignments in terms of both functional and CCFO learning | • Establish the extent to which SAQA's CCFOs are perceived to be differentially developed through Service-Learning<br>• Evaluate the extent and depth of functional course content learning achieved by MBA students as reflected in their assignments<br>• Evaluate the extent of CCFO learning achieved by MBA students as reflected in their assignments<br>• Evaluate the general academic quality of students' Service-Learning assignments |
| | | 4 | Relate MBA students' preferred learning styles to the context of Service-Learning and describe their understanding, experiences, personal growth and insights from attending a Service-Learning course on their MBA programmes | • Relate MBA students' preferred learning styles to the context of Service-Learning<br>• Describe MBA students' experiences, personal growth and insights from attending a Service-Learning course<br>• Describe the preferred assessment methodologies used in an MBA Service-Learning course |

## 1.6 The Research Problem statements

### *1.6.1 The overarching purpose of the study*

Establish the merit of pursuing the implementation of Service-Learning in MBA courses by evaluating and assessing the value to the business sector, the social sector and to higher education

### *1.6.2 Research Problem 1*

Correlate the perceived importance of SAQA's CCFOs to players in the business sector with the extent of their development through Service-Learning

*1.6.2.1 Sub-problem 1.1*

Establish the relative perceived importances of SAQA's CCFOs to players in the business sector

*1.6.2.2 Sub-problem 1.2*

Establish the extent to which SAQA's CCFOs are perceived to be differentially developed through Service-Learning

### *1.6.3 Research Problem 2*

Evaluate the extent of matching between the business needs of community organisations and the types of support that could be supplied by MBA students

*1.6.3.1 Sub-problem 2.1*

Define the scope of "community organisations" relevant in the South African context

*1.6.3.2 Sub-problem 2.2*

Identify the business needs of community organisations in terms of skills development and expert support

1.6.3.3 Sub-problem 2.3

Identify the business benefits of MBA Service-Learning to community organisations

### *1.6.4 Research Problem 3*

Evaluate the extent and general academic quality of student assignments in terms of both functional and CCFO learning

*1.6.4.1 Sub-problem 3.1*

Evaluate the extent and depth of functional course content learning achieved by MBA students as reflected in their assignments

*1.6.4.2 Sub-problem 3.2*

Evaluate the extent of CCFO learning achieved by MBA students as reflected in their assignments

*1.6.4.3 Sub-problem 3.3*

Evaluate the general academic quality of students' Service-Learning assignments

*1.6.4.4 Sub-problem 3.4*

Describe the preferred assessment methodologies used in an MBA Service-Learning course

### *1.6.5 Research Problem 4*

Relate MBA students' preferred learning styles to the context of Service-Learning and describe their understanding, experiences, personal growth and insights from attending a Service-Learning course on their MBA programmes

#### *1.6.5.1 Sub-problem 4.1*

Relate MBA students' preferred learning styles to the context of Service-Learning

#### *1.6.5.2 Sub-problem 4.2*

Describe MBA students' experiences, personal growth and insights from attending a Service-Learning course

In keeping with the strong focus on alignment, so that an holistic view of the research may be maintained whilst simultaneously viewing the detail, the problems and sub-problems have been restated where appropriate, particularly once the hypotheses and propositions are added to the equation. A colour coding mechanism has been utilised to differentiate the populations and samples from which data were gathered.

## *1.7 Assumptions underpinning this research*

The following assumptions have been made regarding this research:

a. The terms "Service-Learning", "action learning", "co-operative learning", "workplace learning" and "extension learning" have all been used to describe this type of learning / teaching methodology. However, the term Service-Learning has been used when referring to the pedagogy in this research.

b. The various samples selected for enquiry will reflect normal perspectives and experiences.

c. The CCFOs are valid generic management meta-competencies.

d. Relevant functional competencies are taught on MBA programmes.

e. Internationally, non-profit organisations are generally the beneficiaries of Service-Learning initiatives. However, an additional assumption is made here, and that is that organisations *other* than registered NPOs may be suitable potential beneficiaries of MBA Service-Learning initiatives within the South African context.