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# Perceptions of students and managers of the relative importance of WBS core MBA courses and managerial skills and traits

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# Perceptions of students and managers of the relative importance of WBS core MBA courses and managerial skills and traits

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**A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration**

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# ABSTRACT

Managerial education has attracted a considerable amount of interest globally. In South Africa with its own socio-economic problems, the need for skilled managers is even more pressing. This demand for managerial skills has drawn a fair amount of criticism recently as the quality of managerial education found in MBA programs is questioned. This apparent lack of skills of MBA graduates is a major concern bearing in mind the amount of resources that are committed to such education.

This study attempts to clarify whether there is a gap between the opinions of students and managers over the importance of the core MBA courses conducted at the Wits Business School. It also attempts to clarify if there are any differences of opinions with respect to managerial skills and traits that managers say are required for effective work performance. The study was performed using the survey method in which a questionnaire was submitted to a sample of 178 students and 55 managers. It was found that opinions about certain courses and skills were favoured or disliked by both groups of respondents and some courses received mixed ratings.

Awareness of these opinions and the possibility of closing the gap among these two very important stakeholders should benefit management education in general and numerous students, employers and faculty members in particular.

# DECLARATION

I, Milenko Rajak, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Milenko Rajak

.....

Signed at ……

On the …….. day of …… 2011

# DEDICATION

# ACKNOWLEDGEMENTS

To Nina, my loving wife, partner and motivation, who has been so understanding and supportive over the past years,

To my children, who have often been unable to play with dad because I was tied up in books. I look forward to catching up on lost time,

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# CHAPTER 1: INTRODUCTION

## 1.1 Purpose of the study

The purpose of this research is to assess the opinion gap, or lack thereof, between MBA students and the managers with respect to the relative importance of the core curriculum presented by the Wits Business School (WBS), as well as the relative importance of the managerial skills and traits that are required by business practice.

## 1.2 Context of the study

Managerial education has attracted a considerable amount of interest globally, mainly as a response to a demand for managers that are capable of leading organisations through tough times (Gordon and Howell 1959; Porter and McKibbin 1988; Mintzberg 2004; Maich 2009). MBA graduates are perceived to be the corporate elite in the domain of management education (Louw, Bosch and Venter 2002; Baruch 2009). Regarding the scope of MBA degree, Crous and Cooper (2005:57) argue that an "MBA is a master's degree a mile wide and an inch deep in contrast to a master's degree in a specific field or discipline that is usually an inch wide and a mile deep". There is a consensus that betterment and expansion of managerial skills is welcomed and necessary in fast changing, global business environment (Mihail and Elefterie 2006; Camuffo, Gerli, Borgo and Somia 2009); however, there are questions regarding the suitability of current MBA programme as a potential solution (Pfeffer and Fong 2002; Mintzberg 2004; Belasen and Rufer 2007). In the South African environment, with its own issues, the need for educated managers is even more pressing (Louw, Bosch and Venter 2001).

Hence, the focus of this study is on the empirical findings of student versus manager's perceptions of the relative importance of core courses presented at (WBS), as well as the relative importance of the managerial skills and traits required by business practice.

## 1.3 Problem statement

### 1.3.1 *Main problem*

Main problem of / that this study addresses is this study is that we do not know if WBS MBA students and managers (representing business practice) agree on the relative importance of core courses for running a business, and on the relative importance of managerial skills and traits required in the business environment. Therefore, this study will compare and contrast the opinions of these two groups in attempt to clarify existing views.

### 1.3.2 *Sub-problems*

The first sub-problem is:

To compare and contrast the opinions of WBS MBA students and managers on the relative importance of the core courses required for running a business.

The second sub-problem is:

To compare and contrast the opinions of WBS MBA students and managers on the importance of managerial skills and traits required in the work environment.

## 1.4 Significance of the study

This study attempts to fill a gap in the theory of the relevance of MBA education in that the focus is on the perceptions of stakeholders at the WBS. While the similar study by Louw et al. (2001) had a much broader scope covering the perceptions of stakeholders country wide, this particular study was able to assess the opinion of stakeholders at the WBS directly. The WBS has been voted the top business school in South Africa and one of the top international schools for many years (Financial Times 2010), therefore it is justifiable to analyse stakeholders' opinions directly and to contrast the results against nationwide results.

The study has identified the inconsistencies, and this will help to minimize the opinion gap between the MBA students and managers (Gabric and McFadden 2001). It will add to the existing knowledge that faculty members and the WBS management already have on the importance of core courses and the relevance of managerial skills and traits that are required for the running of a business.

It is expected that students will benefit from a clearer picture about managers' expectations and this should help to remove any misconception among students about what managers are seeking. The benefit gained from this study will assist MBA students with making more accurate assessments of their level of understanding of the skills valued by managers. In turn this will provide students with guidance in preparing resumes (CV's); and in identifying which skills and traits they ought to emphasise during interviews for managerial positions.

## 1.5 Delimitations of the study

The study focuses on the current cohort of MBA students at the WBS and incumbent managers that are WBS alumni. These managers should have a broad knowledge of the curriculum of the WBS and skills required in the business world. Therefore this study is internally focused on WBS. Comments will be made based on the results of this study, the results of previous studies and the existing literature review.

## 1.6 Definition of terms

The following definitions have been adopted from Epstein and Hundert (2002):

- Professional Competence - the habitual and judicious use of communication, knowledge, technical skills, emotions, values, and reflection in daily practice for the benefit of the individual and community being served. Competency is the ability to engage in non-routine cognitive and intellectual activities. Competencies are used to cope with uncertainty in the environment. Competencies are transferable across a wide array of situations, and are

generic in that they apply to many different types of jobs (Maes, Weldy and Icenogle 1997).

- Knowledge - Competent demonstration of facts and information as acquired through learning, experience, and reflection.
- Skill - Competent demonstration of abilities or capabilities to engage in specific behaviours, including overt behaviour and cognitive activities, to accomplish specific routine tasks, which have been acquired through knowledge translation, training, and experience.

- Attitude - A complex mental state involving beliefs, feelings, and values required to communicate and act in certain ways (Epstein and Hundert 2002).

## 1.7 Assumptions

- It is assumed that respondents have answered questions truthfully. Any attempts by students to modify their ratings based on what they perceive as "expected" answers would result in artificial closing of the opinion gap. Student's ratings of "soft" skills, for example, could have been artificially inflated if there was a need to conform to expectations during the survey (Rubin and Dierdorff 2009). Similar results would be obtained if business managers decided to give the WBS core curriculum a higher rating as result of perceived loyalty.

- With respect to managerial skills and traits, it is assumed that the business managers will have different views on the subject from those of students, as a result of their insight and experience in the workplace as managers.

# CHAPTER 2: LITERATURE REVIEW

## 2.1. Introduction

The first part of the literature review has focused on the relevance of the core courses in MBA programmes. The second part of the literature review has focused on the subject of managerial skills and traits that are required in business. These subjects have attracted interest worldwide and studies from both the international and South African business environment will be reviewed.

## 2.2. Overview

This study investigates the opinions of two groups of respondents on the two independent factors related to the MBA programme and its relevance in a business environment. The two groups of respondents are: “WBS MBA students” and “managers”, and the factors are “relative importance of core courses for running of the business” and “relative importance of managerial skills and traits in business environment”. The “relative importance” part of the factors that was analysed relates to the comparative nature of the study, where the importance of the factors that are assigned by each group of respondents was compared and contrasted with the other group of respondents. This comparative view should result in a clearer picture of the dynamics that are present in the evaluation of business education and that of the WBS MBA programmes in particular.

The first part of the literature review focused on the subject of the relevance of core courses in MBA programmes. In the light of recent change in the curriculum at WBS and the diversity of curricula in numerous business schools worldwide, attention was not paid to a detailed analysis of each course content, but rather to the general groupings of the core courses and the functional areas that are covered in the core curriculum, presented over the longer period of time. Although the WBS offers numerous elective courses and special topic courses, the focus of the study was on the required core courses (see appendix B) as they are deemed the most essential

by the school; i.e. so important that all students must complete them (Datar, Garvin and Cullen 2010). Opinions of the business managers regarding the relevance of the core courses are usually formed over numerous years of interaction with school and students/graduates (Baruch 2009).

The second part of the literature review focussed on the subject of managerial skills and traits that are required in the business environment. On numerous occasions business has expressed a criticism that business schools are not producing managers that are capable of appropriately engaging tasks presented to them in a "day to day" business environment (Mintzberg 2004; Rubin and Dierdorff 2009). Quite often a lack of general managerial skills is mentioned (Shipper 1999; Pfeffer and Fong 2002); therefore the identification and ranking of these skills and traits are important.

## 2.3 MBA Core Courses

> "To compare and contrast the opinions of these two groups of respondents on the relative importance of core courses for running a business" (See 1.3.2 pg: 5).

Since as early as the 1950s, there has been a concern that an MBA education could be inadequate for practising managers. This concern culminated in the Gordon and Howell's (1959) study of MBA education commissioned by the Carnegie Corporation and the Ford Foundation. This concern that existing objectives and educational methods of business schools of that time were at odds with the requirements of business and society has been confirmed by Gordon and Howell's (1959) study and numerous recommendations arose from this in-depth study. Subsequently, the core courses of MBAs were adjusted with stronger emphasis on analytical problem solving and faculties were expected to improve and become more dedicated by encouraging more full time staff, more research work to be done and less consulting time in industry, and recruit better students with an insistence on an undergraduate degree. This study was born out of the inability of business schools to satisfy business requirements and societal needs. Since those days, criticism of business

schools has been stronger or weaker, depending on the speed of adjustment of the schools' objectives and educational methods to the rapidly changing business environment (Doody 1997; Maich 2009).

A new wave of criticism has emerged with the publishing of a report by Porter and McKibbin (1988), which comprised the first comprehensive study of business education since the Ford and Carnegie studies. This study was commissioned by the American Assembly of Collegiate Schools of Business (AACSB) which is a business schools accreditation body founded in 1916 with the aim of advancing quality management education worldwide through accreditation and thought leadership. The study lasted three years and it included thorough investigation of the environment around management education and development at that time and included in-depth interviews with 60 business schools in the USA. Numerous recommendations came as result of this study such as:

- increase attention to environmental expectation – need for strategic planning;
- define business school missions an niches, emphasise diversity;
- improve curriculum;
- develop faculty to fit schools mission;
- establish higher standards for accreditation with the American Assembly of Collegiate Schools of Business (AACSB);
- encourage managerial lifelong learning; and
- identify challenges facing managerial education and development in future – encourage cooperation among institutions involved.

With regard to the curriculum the following recommendations were made:

- Widen the breadth of the curriculum. Complaints from businesses were that business schools are overly focused on analytical and methodical

processes and are lacking understanding of the importance of a broad, well-rounded education (Porter and McKibbin 1988). A suggestion was made to enlarge the range of the curriculum of electives courses. In this respect, the WBS has quite a large selection of electives covering wide areas of interest (Strategic Golf, Storytelling in Organisations, isiZulu (see Appendix B)).

- Increase attention to the organisational external environment. Business schools have placed much of their curriculum emphasis on the internal organisational environment, therefore neglecting the external business environment. According to Porter and McKibbin (1988) study, external forces such as government relationships, societal trends, legal climate and international developments, will increasingly penetrate the internal operations of the firm and affect core efficiencies and effectiveness. In response, WBS has the following elective courses dealing with the above issues: Business Strategy in Asia, Competitive Intelligence, Corporate Law, Environment of Business, Industry Foresight and Business Future Strategy, International Management and Culture (see Appendix B).
- International dimension of business and management. The increase of globalisation of the world's economy requires business schools to incorporate an international trend of business and management as an integral part of their educational programmes. Issues of designing new, separate courses or integration of worldwide dimensions into existing courses across various functional areas, needs to be resolved to ensure effective teaching. At the WBS, numerous case studies are based on international examples of issues faced in business, and numerous core and elective courses cover international and cross cultural issues (International Business, International Management and Culture, International Economics, International Finance, Cross Cultural Management, see Appendix B).
- Increased use of Information Technology across the entire/core curriculum. As a result of an increasingly dominant services sector in economies of the world, with corresponding reliance on provision of

relevant information, business schools will be forced to take a hard look at how information orientation can be incorporated into the entire curriculum and into fundamental research activities. To be able to function in a rapidly changing and information-rich society, managers will have to understand, comprehend and utilise information provided. The following core and elective courses are provided at the WBS: Information Systems Management, Advanced Information Systems, Managing Corporate Data, Quantitative Research Methods, and E-Commerce.

- Improve cross-functional integration. The practice in Business Schools of having only one cross-functional integration course such as “Business Strategy” needs to be changed. The business environment presents problems that are multifunctional in nature and the business school curriculum needs to reflect a greater level of cross-functional integration. The global trend towards entrepreneurism is one of the forces pushing in the direction of a more integrated focus. Small, dynamic, fast-growing businesses are faced with entrepreneurial problems that are usually cross-functional in nature. A possible way forward could be to insist that students take another integrative course or revise existing functional courses to include more integrative material. At the WBS, besides the generally accepted Strategic Management course, following core, elective and attendance courses cover areas of concern at least in some way; Research Report - as indicated in Carmichael and Stacey (2006), International Business, Business Simulation, Entrepreneurship, New Ventures.
- Improve “soft” (people) skills. As a result of a changing business environment and “flattening” of organisational structures, people-interpersonal skills are getting much higher emphasis in academia and business practice. According to Porter and McKibbin (1988), study, numerous corporate respondents have indicated that behaviourally oriented subjects should receive more attention in the curriculum. Similar sentiment has been expressed by deans and faculty members across numerous business schools. A relatively low rating by the business

> community for the lack of leadership and interpersonal skills among the MBA graduates seems to be widespread. Business schools are encouraged to become assertive and innovative in attacking this problem. Numerous approaches have been recommended, from internships to co-operative agreements with companies, to honing of the skills in numerous student-run organisations. The fact remains that people skills are learned in the instinctive and unstructured environment of the workplace, over a long period of time, makes it more difficult to affect or modify those skills to the standards that are expected, especially in the relatively short period of time that the student spends in the business school environment.. Therefore the expectations of the business need to be managed accordingly. At WBS, the following core, elective and attendance courses are now available to enhance these skills: Human Resource Management, Group Dynamics, Personal Leadership, Issues in Leadership, Profiles of Leadership, and Storytelling in Organisations which are all courses designed to build managerial 'people skills'.

Recent critiques, such as that of Pfeffer and Fong (2002), point to the gap between theory and practice, arguing that the knowledge and skills delivered by the MBA programme relate poorly to practitioners' needs. Pfeffer and Fong (2002) have indicated that the MBA degree as such, does not provide expected benefits to the graduates, expressed as salary increases or career advancement, nor provide expected skills and knowledge to the potential employers. Pfeffer and Fong (2002) have suggested that the gap is due to irrelevant curriculum structure and teaching and the irrelevance of business school research for the practice of management. Business schools should build curricula that are evaluated, in part, by how well they actually prepare students to be effective in practicing the profession. They go on to conclude that management studies and business schools would benefit from emulating curriculum structure and internship components of the most innovative law, medical and other professional schools (Pfeffer and Fong 2002).

Roth (1989:1) in his article “Today’s MBA: A Lot to Learn” has stated that:

> “today’s MBA programmes provide technical training, but most fail to teach the leadership skills and broad thinking that can lead to long-term success”.

At that point in time, 1980’s, teaching was focused on analytical analysis and its application in the management functions of marketing, finance, accounting, human relations and business policy. Roth suggested that the focus should rather be on the teaching of “soft” cultural issues instead of technical skills. According to Roth, the Wharton Program at the University of Pennsylvania Graduate Division required students to take eight “core management” units, these include courses in accounting; micro-economics; macroeconomics; financial analysis; marketing; quantitative methods and statistical analysis. Only “The Management of People at Work” course addresses cultural issues. Therefore, Roth argues, that it is clear that the MBA program is not a good source of cultural skills training.

Belasen and Rufer’s (2007) study has identified two cycles of criticism of business education. The first cycle was from 1985 to 1995 and it was characterised by curricular design that tended to place too much emphasis on theories and cognitive skills (i.e. how we acquire knowledge and gather information) and less on action skills. By the mid-1990s, critics noted that the split between theory and practice is not appropriate in the business school environment and that quite a few business schools encourage a preference for analytical detachment, while others call for increased attention on integrating art and science in management education. These criticisms urged management education curriculum planners to shift their pedagogical emphasis from knowledge acquisition to skills development and from understanding by listening, to learning by doing. The habits of teaching about management, rather than teaching how to manage, and the lack of exposure necessary for understanding multiple cultures, were other points that required improvement. The second cycle of criticism was from 1995 to 2005 and it was centred around the issue of the inability of MBA graduates to deal with the “soft” issues in management that evolve around concepts such as experience, intuition, judgment, wisdom and culture. Early responses to the second cycle of criticisms

have triggered innovation mainly by sensitising the curriculum with discussions around the elements of cultural diversity and by incorporating global cases and scenarios into virtual learning activities. Global managers must also manage the often diametrically opposing requirements of complexity and adaptability and align the value system with the goals and strategies of the organisation.

Thus, it was argued that business schools have failed to teach students to grapple with complex, multi-layered issues faced by managers in global situations. These and other criticisms came close to suggesting that the MBA programme breed smart talk, compartmentalisation, and trained incapacity and are prone to fail students in global ventures by creating and reinforcing a vicious cycle of underperformance.

Doody (1997) focussed on the WBS MBA graduates' perceptions of education requirements and expectations in his MBA thesis. Doody also noticed that past WBS MBA graduates were generally satisfied with curriculum design and delivery methods. The only concern that was raised in this study was related to a need for closer interaction and building relationships with business.

Louw et al. (2001) has concluded that, based on their study of 633 MBA graduates and 245 employers, both groups of respondents have a relatively high rating of core courses which could, therefore, be taken as endorsement for the generalist nature of the MBA programme. Although ratings were generally similar there was evidence that core courses have been rated relatively more highly by employers than by the graduates. This would indicate that employers perceive core courses to be more important than the graduates do. In Louw et al. (2001) study, 11 core courses have been identified through researching the South African curriculum of business schools. Ranking of these courses was conducted by two sets of respondents. Descriptive statistics and t-tests calculations were performed to compare the profile (overall opinions) of the MBA graduates with that of the employers, based on the relative importance ratings given to core courses. Results have confirmed that the profiles differed significantly at the 99% confidence level: the employer group perceived the core courses as more important than the graduate group did.

Rubin and Dierdorff (2009) have noticed that students harbour a general disregard for people-focused coursework while human resource courses are in fact more important to managerial reality than students may want to believe. The possible reason for such an opinion is that students believe that the possession of technical skills is more "useful" in gaining employment. Although corporate recruiters point out the importance of "soft" skills, when it comes to their actions they deliver a different message as they tend to make selection decisions based on the possession of technical skills. The same applies to the courses concerned with managing decision-making processes and analysing business-related data. According to Rubin and Dierdorff (2009:218) "the customer is not always right" and building greater alignment between students and the business world would most certainly involve an increase in the proportion of the people-focused and decision-making curricular content that is required relative to other content. While students may express a lack of interest in such courses while enrolled, upon graduating they tend to report significant satisfaction and judge these courses as among the most valuable topical areas within the curricula. In their attempt to answer questions about the relevance of the MBA curricula to 'day-to-day' managerial work, they have noted that answers differ drastically when examined from different perspectives. Using the perspective from practicing managers with regard to what is required to perform their work, they sought to empirically investigate the linkage or alignment between required behavioural competencies and the required course content in MBA curricula. What Rubin and Dierdorff (2009) found was that managers place the highest and second highest importance on 'managing decision-making processes' and 'managing human capital' courses, while these competencies were ranked fourth and fifth in terms of required course coverage in the MBA curriculum. In addition, managers indicated that managing logistics and technology to be the least important competency required for their work performance, while at the same time this competency received the third most attention in the required MBA curriculum.

Singh and Schick (2007) have asked MBA students to rate the importance of courses within the MBA curriculum, results obtained were somewhat expected. The majority of the students reaffirmed the importance of "Strategic Management" and "Financial Management" as most important courses while "Human Resource

Management" was seen as being one of least important courses. This disregard amongst students/managers for 'people oriented' courses is well documented (Gioia and Corley 2002; Doria, Rozanski and Cohen 2003; Mintzberg 2004). On the basis of personal work experiences, what they have read and observed about today's economic landscape, and what have been taught in business programs, students have come to their own conclusions about what is important to know (Singh and Schick 2007). Unfortunately, attempts by business schools to emphasis certain socially and morally responsible courses within the curriculum often get marginalised. Singh and Schick (2007) have noted that maximisation of shareholder value is the driving force behind most management decision making in firms.

In the current fast-changing business environment employers seems to be seeking younger MBA graduates that have specific functional skills and experience and that are capable of implementing the latest managerial skills/theories in a fast and effective way (Gupta 2007). On the other hand, MBA students and graduates seem to be seeking acknowledgment of their success and intellect with a corresponding, preferably senior, well-paid position within an organisation. With regard to Business Schools, their perspective suggests that they are looking for free reign from stakeholders to conduct their work as they believe suitable. They would normally teach what they wish to teach and what they think is necessary to be taught without much reference to the needs of current business. Gupta (2007:53) in his report in Management Today has stated, "These hardening and mismatched expectations raise the question of relevance of the degree". The platform for designing needed compromises will be based on a combination of fundamental and core courses, decision tools and skills courses and functional and integrative courses (Gupta 2007).

Knowles and Hensher (2005) have suggested that business education industry is in the midst of a war between two great powers: the market forces which are facilitating the widespread adoption of a customer-based approach to education; and uncompromising academics that are determined to maintain professionalism in business education through a focus on research aimed at meeting the needs of a broad range of stakeholders, both now and in the future. According to them business

curriculum takes centre stage in this drama, and is the subject of calls for and against such changes as the introduction of more soft skills and opportunities for learning-by-doing, the effective integration of ethics, and greater specialisation and differentiation in the degree programme.

Shipper (1999) in his article "A comparison of managerial skills of middle managers with MBAs, with other masters' and undergraduate degrees ten years after the Porter and McKibbin report" has noticed that not much change has occurred within the MBA curriculum in response to the major criticism and publicity given to inadequacy of managerial education. He has called for redesign of curriculums to ensure that appropriate skills are imparted to business school graduates especially when the results here suggest that these skills would boost a manager's career.

Gioia and Corley (2002:108) supported this view on business education with the following statement:

> "Both MBA students and their recruiters, of course, want a practical education, which raises the spectre of business schools once again becoming glorified vocational schools, training people for jobs, rather than educating them as professional managers".

The new business agenda argues for the abandonment of classroom teaching and a focus on open-ended (although guided) research. In addition, other recommended additions to the curriculum include interpersonal skills, multicultural skills, negotiations, change management, the analysis of human nature and creativity-related skills.

According to Doria et al. (2003) it is true that social skills are difficult to teach, however, curricula can be designed to promote them. Those "soft skills" seem to become more relevant in today's global business environment. They have noted that many schools still stress individual competition and academic achievement, even if they talk about giving students more opportunity to work collaboratively on projects that give them practical experience. Most graduate programmes still focus on traditional lecture and case discussion over more complex experiential learning. This

seems to be true, in part, because instructors and professors themselves are more comfortable using traditional teaching methods.

Doria et al. (2003) proposed six principles for reforming a MBA programme:

- Require more courses in the "people skills" that are vital to managing effectively.
- Emphasise the basic skills and tools needed for problem solving.
- Provide strong grounding in theories of economics, measurement, governance, psychology, human behaviour, and leadership.
- Design curricula so that students can learn by doing to applying multiple disciplines on the job.
- Encourage students to take electives outside the traditional core curriculum.
- Create differentiated curricula and allow students to concentrate in specific industries.

With respect to "Strategy" course, which is quite often only a core cross-functional integration course in the MBA curriculum, Kachra and Schnietz (2008) have noticed that traditional "Strategy" course structures do relatively well in developing theoretical and applied integration skills of mangers in the workplace but do poorly in developing practical integration skills which are the skills that are increasingly in demand from employers. Course traditional structure does not develop student's understanding of their decision-making biases and styles and students should think about strategy from the perspective of practice. They recommend selecting cases based on standards that are built to favour practical integration and using simulations to maximise both student's and professors' engagement in real-time decision making.

Datar et al. (2010) has noted that although there is a strong drive to follow the leader in managerial education, most of the business schools still insist that their MBA programme is unique. According to Datar et al. (2010:62):

> "Institutions tend to mimic the leaders in their fields, accrediting groups impose standards and societal pressures and educational trends frequently push curricula in common directions."

Based on the Datar et al. (2010) study of top American and European business schools, the same seven courses: marketing; corporate finance; financial accounting; operations and supply chain management; corporate strategy; managerial economics; and quantitative analysis (including statistics) were required at least 85 percent of the time, and five additional courses: managerial/cost accounting; management information systems; management communications; organizational behaviour and macroeconomic macroeconomics - were required at least 50 percent of the time. This confirms again that differentiation among the curriculum of different business schools is not that significant. Differentiation within content of core courses, if any, is usually distinguished by small shifts in the set of required offerings with slightly different mixes that reflected the inclusion or exclusion of a course in communications, ethics, globalization, information technology, or leadership. Datar et al. (2010) went further into analysis of MBA curriculum and noted that although content of core courses is fairly similar among top business schools some differences exist with respect to pedagogy, particularly the use of cases, exercises, and problem sets. Another identified area of difference is related to architecture of the programme, particularly regarding issues of structure, sequence, and necessary requirements.

Examples of the core courses are seen in Table 1 as presented in Louw et al. (2001) study and from the current (2010) WBS curriculum. It is important to notice that although there are some similarities, core courses as per Louw et al. (2001) study present curriculum that is at least 10 years older the recently revised WBS curriculum. Courses indicated by Pfeffer and Fong (2002), have more relevance in current socio-economic environment but were not present in Louw et al. (2001) study include: Leadership; Ethics; Sustainability and Governance (Datar et al. 2010). Research Methodology would be relevant to the MBA programmes that require research report as requirement for completion of programme, although not all MBA programmes have this requirement (Louw et al. 2001).

**Table 1: Example of Core Curriculum Courses**

| WBS Core Courses | Louw et al. (2001) Core Courses |
|---|---|
| Strategic Management | Strategic management |
| Accounting and Finance | Financial management and management accounting |
| Finance | General/business management |
| Marketing Management | Marketing management |
| Organisational Development and Leadership | Entrepreneurship |
| Human Resource Management | Human resources management |
| Information Systems Management | Management information systems/ information technology |
| Operations and Technology | Production/operations management |
| Ethics, Sustainability and Governance | Legal and business environment |
| Economics for Business | Economics |
| Decision Science | Quantitative methods and data analysis |
| Research Methodology | |
| International Business | |

### 2.3.1 *Conclusion of Literature Review on Core Courses*

In the light of the complex interaction between interests and opinions of MBA students, the business managers and business schools, it seems that the following statements could be summarised:

In general there is a tendency to increase the content of courses that are classified as “soft subjects” (Gioia and Corley 2002; Knowles and Hensher 2005). A need for courses that deal with issues of leadership and cultural sensitivity has been identified since the late 80s (Roth 1989; Belasen and Rufer 2007; Datar et al. 2010).

It seems that, on enrolment to the programme, MBA students are of the opinion that functional skills and technical courses are more important for the running of a business than courses in HR, leadership, culture or ethics. This opinion is unintentionally enforced by business looking to employ managers with specific set of functional skills and experience (Gupta 2007; Singh and Schick 2007).

Student opinion is found to be changing with exposure to the business environment and appreciation of these, people centric, skills and knowledge gained has been found to be increasing with experience in the industry (Rubin and Dierdorff 2009).

While Doody (1997) has found that WBS MBA students are generally satisfied with the curriculum and the MBA programme, Louw et al. (2001) have noticed a change in the perceptions of the importance of core courses between students and the business community.

This has resulted in a formulation of Hypothesis 1 where current/existing knowledge is represented by a positivistic statement of the expectation that there is a statistically significant difference between the perceptions of graduates and the business community with respect to the importance of the core courses. Based on existing research it is expected that the biggest difference will be with respect to “soft subjects” (Louw et al. 2001; Rubin and Dierdorff 2009).

### 2.3.2 *Hypothesis 1*

***There are statistically significant differences between WBS MBA students' and managers' ratings of the relative importance of the WBS MBA core courses for running a business.***

## 2.4 Required managerial skills and traits

"To compare and contrast the opinions of these two groups of respondents on the relative importance of management skills and traits required in the work environment" (See 1.3.2. pg: 5).

In a study by Louw et al. (2001) the issues of the relative importance of managerial skills and traits in business environment have been examined. For both groups of respondents, MBA students and employers, results show that without exception, high relative importance ratings were assigned to all 37 skills and traits listed. This indicates strong support that the skills and traits listed in their research instruments are strongly in demand (i.e. relevant) in business practice.

With regard to the relative importance of management skills and traits this study has found that ratings for 9 out of the 37 management skills and traits differed significantly statistically. According to Louw et al (2001) study management skills and traits that were significant were: accountability; business ethics and integrity; facilitating skills; ability to interpret instructions correctly; emotional stability; coaching skills; numerical skills; supervisory skills; and interest and studiousness. These findings imply that the employers rated these nine skills and traits significantly higher than did the MBA graduates. All the other differences in relative importance were positive, except for creative thinking and initiatives, holistic thinking and self-confidence and decisiveness, and driving force and motivation. On the other hand,

this implies that the MBA graduates generally regarded these skills and traits as more important than did employers.

Louw et al. (2002) in their study of perceptions of employers regarding the profile of MBA graduates have found that, as a result of misalignment of expected and actual skills that MBA students have, higher emphasis should be placed on incorporating the following courses and skills into the MBA programme:

- Integration of knowledge across functional areas
- Leadership, interpersonal, communication and entrepreneurial skills
- Greater practical component in courses
- Greater ability for contextualisation

In this study, the ideal MBA graduates were described. Fourteen statements on which employers' opinion was obtained; 245 Human Resources professionals responded to the request and the results were surprising. A general comment made by the sampled employers in South Africa, showed that the low satisfaction ratings were given to the following skills that actual MBA graduates possess: leadership and interpersonal skills; entrepreneurship skills; and graduates' competence in managerial positions (Louw et al. 2002). This view of a lack of relevant skills is supported by Mintzberg (2004) who proposed that MBA education should supply not only theoretical knowledge of management, but the necessary practical skills (and experiences of managing) to manage too. Similar concern is expressed by Carmichael and Stacey (2006) where numerous deficiencies in MBA graduates are listed. While WBS MBA graduates state that their competencies have been developed to a certain extent, the business community in general seems concerned that insufficient skills are acquired in the MBA programme. Therefore, conscious effort by the faculty is needed to "sell" the benefits of competencies to students and thereafter, actively develop and incorporate them into the MBA programme (Carmichael and Stacey 2006).

The MBA education seems to substantially increase managerial competencies and enhance self-esteem of graduates; it also improves employability, i.e. the ability to get a job (Baruch 2009). According to Baruch (2009), the empirical evidence strongly suggests that the MBA has a positive impact on managers. MBA graduates are in general better managers and their employers benefit from their competencies.

In Baruch and Leeming (1996) study of students' perceptions of competencies and skills that are seen as important in business, students rate the following managerial skills in order of importance:

| Order | Skills |
|---|---|
| 1 | Time management |
| 2 | Written presentations |
| 3 | Oral presentations |
| 4 | Negotiating skills |
| 5 | Learning skills |
| 6 | Effective reading |
| 7 | Stress management |
| 8 | Personal computing |
| 9 | Team leadership |
| 10 | Career management |
| 11 | Research inquiry |
| 12 | Interviewing |

Most of the students hold a certain perception of the skills that are needed in business life. The most prominent is “time management”, which is considered most crucial, but the graduates felt less competent in this needed skill. The same occurred with “negotiation skills”. There is a group of competencies near the top of the list, where it would take few resources to improve what is offered, particularly in “time management” techniques and “negotiating skills”. “Stress management” is an area where many confirm the need for further up-skilling. According to Baruch and Leeming (1996), responses on the “research enquiry” skill, reveal an area where business in general has some way to go in understanding the benefits that increased competence in this skill would bring. This demonstrates the tension between the need of most businesses for a solution in the short term and the necessity of thinking about problems in the longer term. Organisations are looking for the skills MBA students possess on graduation from their business schools. As a result, the perceptions of recruiters of MBA skills shape how the schools are viewed as potential grounds for recruiting prospective managers.

Carmichael and Stacey (2006) in their study “Perceptions of SAQA’s critical cross-field outcomes as key management meta-competencies” have indicated that competence is the demonstration of integrated knowledge, skills, personal attributes and values. They go on to state that during the MBA studies at the WBS, students seem to develop these competencies to a greater or lesser extent. It was not established which subgroup of students, if any, had developed these competencies more than others. According to Mintzberg (2004), only practical experience in managerial roles could impart the necessary competencies. Therefore, it could be argued that students with experience in managerial roles would develop competencies more so than the other students as result of practicing knowledge that has been passed on in the classroom environment. Although WBS insists on students having at least five years of work experience to qualify for the MBA programme, if that work experience is not in managerial roles then it would not be relevant to the development of competencies that business schools aim to develop. Development of thinking skills in all their variations seems to underpin higher education in general and the MBA programme in particular (Carmichael and Stacey 2006).

From Table 2, it is clear that there is a strong similarity in terminology used to describe managerial skills and traits as per Louw et al. (2001) and managerial competencies as per Carmichael and Stacey (2006), Baruch and Leeming (1996) and Abraham and Karns (2009). It could be therefore argued that, in this context, differences are of a semantic nature and terms can be used as substitutes for each other. Although these studies were very much different, they all explored managerial skill and traits in some way. There are no correlations between these studies and list of skills if fairly long, however, skills that are mentioned in all four studies are following; Leadership, Clear oral and written communication skill, Time management and Learning/Problem solving skills.

## Table 2: Example of Managerial Skills and Traits

| Louw et al. (2001)<br><br>Managerial skills and traits | Carmichael and Stacey (2006)<br><br>Meta-competencies | Baruch and Leeming (1996)<br><br>Managerial Skills | Abraham and Karns (2009) Managerial Competencies |
|---|---|---|---|
| Leadership | Leading and controlling | Team leadership | Leadership skills |
| Creative thinking and initiatives | Creative thinking | | Imaginative |
| Analytical thinking and problem solving | Identifying and solving problems | | Problem solver |
| Holistic (systems) thinking | System thinking | | Business expertise |
| Ability to convey a strong sense of vision | | | |
| Decision-making skills | | | |
| Driving force and motivation | | | Experience in foreign countries |
| Self-confidence and decisiveness | | | Purposeful |
| Negotiating skills | | Negotiating skills | |
| Motivating skills | Group development | | |
| Planning skills | Principles of planning | | |
| Pro-activity | | | Hard worker |
| Ability to accept responsibility | | | Risk taker |
| Working in teams | Work with others | | Team work |
| Entrepreneurial skills | | | |
| Clear oral communication | Communicate effectively using oral persuasion | Oral presentations | Oral and written communication |
| Organising skills | Organising and managing oneself | | |
| Ability to delegate | | | |
| Accountability | | | Results oriented |

| | | | |
|---|---|---|---|
| Clear written communication | Communicating effectively using written persuasion | Written presentations | |
| Interpersonal (networking) skills | | Career management | Interpersonal skills |
| Sensitivity to business environment | Understanding of the world as a set of related systems | | Professional dress code |
| Business ethics and integrity | Integrity | | Safety conscious |
| Time management | Time management | Time management | Time manager |
| Mental agility | Problem solving proficiency | Learning skills | Flexible Adaptable |
| Command of basic facts | | | Technical expertise |
| Controlling skills | Controlling skills | | Uncompromising |
| Social skills and abilities | | | Customer focus |
| Facilitating skills | Facilitation, training | Interviewing | Quality focused |
| Ability to cooperate | Cooperating skills | | |
| Computer literacy (PC) | Computer and literacy | Personal computing | |
| Ability to interpret instructions correctly | | Effective reading | |
| Emotional stability | Emotional intelligence | Stress management | |
| Coaching skills | Coaching and mentoring | | Staff developer |
| Numerical skills | Numerical literacy | | |
| Supervisory skills | | | Dependable |
| Interest and studiousness | | Research inquiry | Proficiency in foreign language |

A study conducted by Abraham and Karns (2009) has identified 23 competencies that employers believe successful managers should possess (Abraham and Karns 2009). Thereafter, they asked employers and business school management to rate the importance of these competencies in an attempt to gauge congruence among

the competencies that businesses identify as being indicative of successful managers; the competencies that business schools identify as being indicative of successful graduates; and the competencies that are emphasised in business school curricula. The response from a sample of 277 employers in the USA and 42 business schools throughout the USA and Canada yielded interesting results. Business schools and employers have similar views on competencies that are required by successful managers and successful graduates, however, these competencies are not emphasised sufficiently in the business school's curriculum.

Prior to this study, criticism of business school graduates could have been explained by business schools not agreeing with businesses on the competencies necessary for successful business school graduates or employees. In other words, business schools may be emphasising in their curricula the competencies they deemed relevant even though those are not the competencies businesses deemed relevant, because business schools did not agree with businesses on which competencies were important. Therefore, there must be an alternative reason to explain why business schools were not emphasising the competencies in their curriculum that businesses deemed to be important. Although this study did not focus on possible reasons for these discrepancies, some possibilities are listed: business schools may have a wider focus and more generalised concept of managerial competencies; business schools may be influenced by the time constraints; trade-offs are sometimes necessary when schools strive to meet the conflicting requirements of accrediting agencies, expectations for professional certification, and local general education requirements. In addition, business schools may be placing undue emphasis on current high-interest topics, such as strategic integration, entrepreneurship, or global management, at the expense of more common managerial competencies such as leadership, oral communication, and quantitative skills that businesses see as necessary to ensure that the business school graduate will be successful in a managerial position. Opinions of the students have not been sought in this study, however, the analysis of the opinions of relevant competencies by the businesses and business schools suggest the following conclusion: it is not students' lack of interest in particular courses and competencies that results in an inappropriate level of readiness to effectively engage the day-to-day business

environment, but that business schools did not emphasise these competencies sufficiently.

In their study of operations management students and employers in the Chicago area, Gabric and McFadden (2001) have found that gaps exist between employers' expectations of employment skills and characteristics, and students' perceptions of those expectations. Although this student population is not directly relevant to this study, a similar set of managerial skills and personality traits is being studied in conjunction with similar issues of differences in perceptions between students and employers with respect to those skills and traits. Therefore, some relevance is present between Gabric and McFadden's (2001) study and this current one. More generic or broad based skills like working in teams, problem-solving, handling ambiguous situations, and effective communication, are classified as general business skills, while technical skills tend to deal more with technology-based or discipline-based knowledge. Finally, personal attributes are inherent traits or qualities in an individual and so they have classified these items as personality characteristics. Personality characteristics include traits such as being conscientious, motivated, and ethical. Gabric and McFadden (2001) have compared student perceptions and employer expectations on all three factors and assessed the importance to employers of general business skills versus technical operations management skills. They have found that students rate general and technical skills as more important than employers do. One of the critical gaps found in their study was for the personality characteristic variable "ethical" where employers rated it as the most important personal characteristic while students rated it only as sixth in importance. This would indicate that students may not realise how much employer's value ethical behaviour within the business community.

From this analysis, it can be concluded that general skills are significantly more important to both Chicago area employers and students than technical abilities. Students and employers ranked general management skills in a similar order, but they did not assign similar importance scores to them. Students tended to rank most of the general skills as highly important, while employers ranked only about half of

the skills as highly important. From this study several themes emerged that should provide a better understanding for operations management students and faculty:

- General management skills are vitally important, especially verbal and problem-solving skills.
- Technical skills, such as computer literacy are important, but do not outweigh general skills.
- Students should be informed of the importance to employers of certain personality characteristics such as being ethical, conscientious, responsible, flexible, pleasant and caring.
- Operations management courses should develop students' quantitative abilities with the integration of general management skills, such as problem solving, team building and listening.

In their study of Italian MBA students Camuffo et al. (2009) have found that MBA education does enhance career advancement and competencies development. Their study has revealed that:

- significant competency development took place during the MBA studies;
- this competency development affects significantly post-MBA career; and
- competency development does not affect graduates' compensation. This somewhat surprising result seems to be affected by small sample and dynamics of labour market (global economy was in recession at the time). Although most of the MBA graduates have expressed increase in salaries, the link between competencies development and compensation was not as obvious.

In the light of recent criticism of MBA education this finding is encouraging.

A careful review of MBA level competencies (Belasen and Rufer 2007) reveals that cognitive development and skills development are almost inextricably linked. Unlike workplace training, in which employees' skills can be assessed without reference to their understanding of the 'theory' underlying the skill, managerial competencies require substantial understanding in their deployment and the application is critical: students who understand the material but cannot apply it (e.g. know the need for planning, but cannot generate a plan) are traditionally knowledgeable but not sufficiently competent.

Boyatzis, Stubbs and Taylor (2002) conducted a study that uses a combination of cross-sectional and longitudinal, time-series data collected as part of a 50-year longitudinal study of multiple cohorts of MBA students at the Weatherhead School of Management (WSOM), Case Western Reserve University. They have analysed 21 managerial competencies and have found that MBA education does improve the majority of these competencies. In contrast to earlier studies, they have found that it appears that MBAs can develop emotional intelligence and cognitive competencies crucial to effectiveness as managers and leaders during their programmes (Boyatzis et al. 2002). They attribute this development to following changes in MBA programme;

- An explicit philosophy of education and pedagogy
- A course on leadership assessment and development using self-directed learning theory as the basis for its design
- A focus on specific competencies in selected courses while addressing course material, such as the marketing course that assessed students on the presentation skills or the operations management course using group projects assessing their group process competencies;
- A dramatic increase in the percentage of courses requiring field projects in companies, group work, and student collaboration;
- Opportunities to participate in voluntary activities, such as a chapter for Habitat for Humanity and functional clubs, like the marketing club (which the part-time students did not have the time or inclination to participate in).

Boyatis et al. (2002) interpretation has been that the leadership course and the wide range of learning activities integrated into the MBA program caused these results. This would indicate that pedagogy is as important in MBA programme as course content is (Datar et al. 2010).

Knowles and Hensher (2005) have noted that greater emphasis on 'soft skills' would improve the relevance of graduate business degrees and produce more competent managers and leaders. As an example of a business community view on the relevant skills that are expected from MBA graduates, they stated that:

> "We would prefer it if the highly motivated, able people who arrive with MBAs had stronger skills in writing, public speaking, building and running teams, supervising and delegating, and sharing leadership in ways that motivate and inspire subordinates" - Knowles and Hensher (2005:35).

Maich (2009) has noted that in the current business environment characterised with economic turmoil, unethical managerial behaviour and often negative perceptions towards managers and business people alike, a recent report from the Graduate Management Admission Council showed that most U.S. programmes are seeing an increase in applications despite (or perhaps even because of) the grim economic situation. The demand for managerial skills is as strong as ever and current negative perceptions of the managerial profession are typical of business cycles characterised with recession and market crashes (Maich 2009).

Pfeffer and Fong (2002) have noted that students see little connection between what is important in business and what is being taught in business schools. Therefore, quite often lecturers have noted a lack of interest in classroom performance. According to Pfeffer and Fong (2002), much of what business schools impart—theory and analytical techniques of various sorts – is readily learned and imitated, at least by intelligent people.

On the other hand, students say that they want to be competitive in organisations and they require skills such as communication ability, leadership, interpersonal skills, and wisdom, these skills, however, are less easily taught or transferred to others. At

the same time, because they are less easily imitated, have more value in the competition for leadership position that occurs in organisations. Pfeffer and Fong (2002) emphasise the need to be cognisant of the trade-off between what schools can and do readily teach and what might be required to differentiate one self and succeed in the world of management.

In their study, Rubin and Dierdorff (2009) derived a comprehensive managerial competency model from using nationally representative data from 8,633 incumbents across 52 managerial occupations in USA. Since this model enables a focus on the actual requirements of managerial work, it provides a basis from which to derive the training needs of aspiring managers from currently practising managers. When focused on performing a job, such requirements are often described as "competencies" and encompass requisite knowledge, skills, abilities, and behaviours. They have found that incumbent managers rate managing human capital and managing decision-making processes to be the most important behavioural competencies of all their managerial work. In the same study, there is evidence to suggest that students harbour general disdain for people-focused coursework.

In his study of the importance of skills Farkas (2008) has compared perceptions of business students to those of employers regarding the value of specific skills necessary for employment. He has conducted a multi-cultural study on two subsets of students and employers, one from business schools in mid-western United States and one from Hungary (Budapest Tech). Based on the results of his study he has concluded that there are significant differences between employers and students in their perceptions of the importance of technical skills both in Hungary and in the United States. These facts reflect sharply the different judgments concerning the importance of technical skills by the two parties. The employers attach significantly less importance to the technical skills possessed by the graduates than the students would think.

The purpose of the Mbokazi, Visser and Fourie (2004) study was to identify competencies or categories of competencies that are essential for middle managers. Among the numerous managerial competencies, the following groups of

competencies were prioritised: Leadership, Interpersonal, Analytical, Business Awareness, Dynamism and Operational competencies (Mbokazi et al. 2004). From the results, it is clear that the managers in this study regard all six competencies as very important.

Crous and Cooper (2005) have noted that the main benefits of MBA education, such as confidence to switch careers, entrepreneurial flair, lifelong learning, seeking challenges and awareness of the realities of the South African business in a global context, creating new perspectives and strategic thinking become manifest later. This newly acquired skills and competencies can sometimes create a perception among employers who may view confident MBA graduates not as an asset in the company, but as employees who will move on as soon as they can get better propositions. Therefore they only employ them if they have proper experience and not because of the MBA degree.

Maes et al. (1997) in their study of managerial skills and competencies have found that oral communication is the most important competency for college graduates entering the workforce. They have also noted that students in general do not perceive these skills to be as important as employers do. The four most important oral skills are: following instructions, listening, conversing, and giving feedback. Findings reveal that the top three managerial competencies are: oral communications, problem-solving, and self-motivation. In their study, they distinguish between competencies and skills where skills are defined as specific behaviours and cognitive activities that accomplish routine tasks, while competencies are non-routine cognitive and intellectual activities, demonstrating managerial resourcefulness in handling non-routine situations. According to Maes et al. (1997) recruiters seem to place more emphasis on grade point average and academic performance, while managers do not consider academic performance as important. In this study, academic performance ranks 13 out of the 16 competencies and characteristics. Ulinski and O'Callaghan (2002) have confirmed the above mentioned importance of oral skills in the business environment and the existing gap in perception of the importance of oral skills between student and employers.

In Bowers and Metcalf (2008), the importance of the integration of functional business areas and increased emphasis on soft skills such as communication has been noted. According to Bowers and Metcalf (2008), it is generally acknowledged today that well-developed soft skills, including communication skills, are vital in obtaining employment and achieving long-term career success in today's dynamic business world. It has been noted in their study that in today's world "communications, leadership, negotiation, entrepreneurship, team building, and interpersonal skills" (Bowers and Metcalf 2008:2) are arguably as important as sound data analysis and rigorous application of analytical management tools. The following skills seem to be regarded as most important by employers and recruits: teamwork; critical thinking; communication skills; a strong work ethic; initiative; interpersonal skills; multicultural skills; negotiations; leadership development and change management. Bowers and Metcalf (2008) have quoted numerous cases where deficiency in training in these skills has been acknowledged. Despite barriers to increasing curricular emphasis on soft skill development, some simple philosophical choice has to be made. According to them, core subjects should not be cut back in favour of more soft skill learning, especially as there seems to be some consensus that the most effective way to teach soft skills is to integrate them into the curriculum and provide opportunities for experiential learning in a multidisciplinary setting. This approach has been taken at The W. A. Franke College of Business at Northern Arizona University where Bowers and Metcalf are employed.

Schmidt-Wilk (2009) in her work on the role of competency development in management education points to an ongoing debate about the philosophical divide between those who favour academic content and those who favour practical experience as the outcome of professional education. She has noted that many faculty members believe that the role of educators is to convey academic knowledge, arguing that the focus should be on content and analytical skills while other skills will be acquired in the workplace. However, there seems to be much stronger support for the view that the purpose of education should be to help students develop the requisite skills for their future work responsibilities (Schmidt-Wilk 2009).

### 2.4.1 *Conclusion of Literature Review on Managerial Skills and Traits*

Throughout the literature review the notion of a need for improvement in “soft” skills is present with regard to MBA students. Incumbent managers require MBA graduates to have a definite set of skills that will allow them to effectively conduct and complete their work tasks in a global, multicultural environment where the number of layers of management is reduced. In such a work environment the importance of the integration of functional skills and “soft” managerial skills is of utmost importance. Communication skills such as clear oral and written communication, following instructions, listening, conversing, and giving feedback are among the top on the employers’ list (Maes et al. 1997; Ulinski and O’Callaghan 2002; Knowles and Hensher 2005; Bowers and Metcalf 2008). Thereafter, skills such as time management, leadership, negotiation, entrepreneurship, team building, ethical behaviour and interpersonal skills seem to be of importance to employers (Baruch and Leeming 1996; Gabric and McFadden 2001; Louw et al. 2002; Bowers and Metcalf 2008). Students’ perceptions of the importance of managerial skills and traits seem to be out of sync with perceptions of managers and numerous studies seem to confirm this view. Ulinski and O’Callaghan (2002) have noted a lack of understanding of the importance of oral skills among the students. In Gabric and McFadden (2001) and Farkas (2008) it has been noted that students attach much a higher rating to technical skills than do managers. According to Rubin and Dierdorff (2009) students have shown a lack of interest for people-focused skills such as human resource management, believing that technical skills are more relevant in a business environment. In Louw et al. (2001) a high degree of difference has been noted with regard to the following skills: accountability; business ethics and integrity; facilitating skills; ability to interpret instructions correctly; emotional stability; coaching skills; numerical skills; supervisory skills; and interest and studiousness. Students have consistently rated these skills lower then managers have.

Again, based on the above literature review, the conclusion can be drawn that the current state of knowledge about this particular subject suggests that there is an expectation of a statistically significant difference in opinion between MBA students

and managers, with regard to the relative importance of managerial skills and traits skills that are required in a work environment.

### 2.4.2 *Hypothesis 2*

***There are statistically significant differences between WBS MBA students' and managers' ratings of the relative importance of management skills and traits required in the work environment.***

## 2.5 Conclusion of Literature Review

Based on the above literature review and studies that have been conducted, it could be concluded that numerous calls for change in business schools' curriculum is justified. Differences in opinion between two important stakeholders in managerial education appear to be significant and it seems necessary to urgently close that gap. The importance of core courses in the WBS curriculum and managerial skills that are required in the work environment will be studied and reported upon.

### 2.5.1 *Hypothesis 1*

***There are statistically significant differences between WBS MBA students' and managers' ratings of the relative importance of core courses for the running of a business.***

### 2.5.2 *Hypothesis 2*

***There are statistically significant differences between WBS MBA students' and managers' ratings of the relative importance of management skills and traits required in the work environment.***

# CHAPTER 3: RESEARCH METHODOLOGY

This section will outline the methodology that was used in this study. First relevant literature will be discussed; thereafter a review of research design, the research instrument, sampling methods, data collection, data analysis, validity and reliability will be outlined.

## 3.1 Research methodology/paradigm

The theory of the managerial education and suitability of MBA programmes has been well researched and reported on (Porter and McKibbin 1988; Pfeffer and Fong 2002; Rubin and Dierdorff 2009), as well as the apparent inability of the MBA programmes to create fully functional leaders (Pfeffer and Fong 2002; Mintzberg 2004). In the light of the existing pool of knowledge and well-discussed and adopted theory this research did not attempt to create new theories but was more focused on the application of existing theories in the context of the WBS, its students and the business community. In such an environment, the use of quantitative methods is appropriate (Creswell 2003).

## 3.2 Research Design

This study relies on the literature review and descriptive empirical research by using quantitative methods for the observable phenomena. Although there are many ways to solicit the opinions of students and business, the focus of this study was on survey method because this method offers the opportunity to engage an entire population of respondents, or at least a random sample of them.

Although a survey lacks in-depth of interview questions, it is easy to administer and simple to complete, a survey does not depend on a respondent's capacity to develop theories about courses, skills or traits and it requires no training, supervision or preparation. Surveys are widespread in most research studies (Hunt and Baruch 2003).

It is possible to use surveys to make generalisations from the sample to the whole population. The survey is a suitable form of research design for this study as it has the fastest turnaround in data collection and it is simple and economical to design and administer (Creswell 2003). The survey in general has very good validity and because of well structured questionnaires for data gathering it is usually regarded as easily replicable and therefore reliable (Gill and Johnson 2002).

The research compared and contrasted the opinions of the two sets of respondents. It was cross-sectional in nature as it was measuring the opinions of two sets of respondents at one specific time. Two independent empirical surveys were conducted; the first one was focused on the perceptions of MBA students of the relative importance of core courses for the running of a business and the relative importance of managerial skills and traits that are required in a work environment. The second survey canvassed the opinions of managers with regard to the same factors. The ability to compare results with those of previous studies was important reason for the choice of the survey. A self-administered questionnaire was presented to both groups of respondents. Although the response rate for such a method of delivery is usually small, the expected response rate for this survey was high because of administrating the survey in a controlled environment; to MBA students in the classroom and to the first group of managers in a conference auditorium. The response rate for the second group of manager respondents was expected to be slightly lower because of the fact that the questionnaire was emailed.

To give more insight into the characteristics of data sets, descriptive statistical measures and some graphical displays were applied. A verbal ordinal scale (5 point) was used to gauge respondent's opinions.

## 3.3 Population and sample

### *3.3.1 Population*

For the purpose of this research two populations were surveyed: one that represents WBS students and the other that represents the business managers (WBS alumni).

The student population is defined so as to include all current MBA students at the WBS in the process of attending compulsory core subjects. An attempt was made to reach all of them in classrooms during lectures. The size of the population of students that qualified for this survey was 229 students. The exact number of students was obtained from the faculty office once the academic panel's approval for research was secured. The reason for the choice of the student population as defined above, is based on the literature review where differences originate between students' opinions and managers' opinions on the subjects in this survey, seemingly from exposure to the "day to day" work environment and not necessarily from the number of core courses attended (Mintzberg 2004). Although knowledge of a particular subject will most probably be enriched through attendance at a particular course, the opinions of relevance of that knowledge in a day-to-day work environment will only be formed once this knowledge is applied and results observed (Rubin and Dierdorff 2009). Therefore the assumption is that the number of core courses attended is not a major influence on the students' formation of opinions (related to work environment), as long as some basic knowledge of the content of core courses is present. A basic summary and description of the core courses will be presented to the student together with the questionnaire.

The population of business managers was defined to include all WBS alumni that have graduated and that are employed in a business environment. The reason for inclusion of WBS alumni and not general population of managers is because of the internal focus of the study and influence that the WBS curriculum, faculty and reputation have on alumni. It would be reasonable to assume that WBS graduates are practising the managerial skills they learned at the WBS. They would be ideal candidates to evaluate the WBS curriculum and managerial skills and traits as they are practising these skills and have attended the courses. This practice of comparing opinions of students and graduates from the same business school has been used in Camufo et al. (2009). The exact size of manager's population was unknown at the start of the study although it is assumed that the number is fairly high (in several thousands) as a result of 42 years of existence. These individuals are usually business executives and mid-level managers with a significant number of years of experience in the industry; they are the ones who employ MBA graduates and they

are themselves MBA graduates and therefore in a position to rate the curriculum and skills and traits that are required in a business environment (Doody 1997; GMAC 2007). The report of the Graduate Management Admission Council (GMAC 2007) "MBA Alumni Perspectives Survey" which has studied alumni has reported on numerous factors related to job satisfaction, career progress and so on. The report has concluded that graduates have a significantly higher number of employees reporting to them and significant budgetary responsibilities are part of their day-today job. The majority of them have also have received promotions and are placed in senior positions within the organisation (GMAC 2007). This will ensure that the manager's sample have sufficient work experience and exposure to managerial activities to answer the survey.

### *3.3.2 Sample and sampling method*

An attempt was made to reach the whole of the current student population; it was, however, assumed that a certain percentage of them will not be present to answer the questionnaire for various reasons. This fact will introduce a sampling effect independent of the aim of this survey (to collect data from the whole of the student population). An attempt to sample the complete frame of students was not successful and only a partial frame was obtained; in this case this partial frame may have omitted a significant segment of the population - which a complete frame would include, therefore introducing possible bias (Albright, Winston and Zappe 2003). There was a possibility that most of the students present on the survey date are diligent and committed to their studies, while absent students are mostly apathetic, disappointed and likely to drop out of the programme. Therefore, out of a total population of approximately 229 students, 204 did answer the questionnaire in the classroom on the interview date. It was expected that some of the absent students are active students with some private reasons for absence on that particular date. It is also possible that the balance of absent students did abandon the studies because they might believe that the knowledge and skills they require will not be fulfilled by this programme. Therefore it is possible that the biggest critics of the WBS MBA programme were not available to answer the survey. From 204 collected

questionnaires 26 had to be discarded as result of incomplete answers. If one or more questions have been left out, whole questionnaire had to discarded. Therefore out of whole population of WBS MBA students admitted to the programme at the time of the survey (June 2010), 178 responses were collected. This transfers in the percentage of completed responses being 78% which is fairly good rate bearing in mind Doody's (1997) and Louw et al. (2001) studies. It should be mentioned that from students that were present in classrooms at the time of the survey 100% of them did respond to survey, therefore support for this study from student population has been very good. Table 3 depicts the survey results with regard to student population.

**Table 3: Summary of WBS students' responses**

| | Students admitted | Students responded | Completed questionnaires | Mean Age |
|---|---|---|---|---|
| **Students PT 2009 - 2012** | 47 | 41 | 35 | 35.6 |
| **Students FT 2011** | 25 | 21 | 15 | 27 |
| **Students PT 2012 Sat** | 45 | 46 | 46 | 33.2 |
| **Students PT 2012 Weekdays** | 52 | 49 | 46 | 31.3 |
| **Students PT 2009-2012 Jan** | 60 | 47 | 36 | 35.4 |
| | 229 | 204 | 178 | |
| **Percentage of Completed questionnaires** | **78%** | | | |

The managers' population was represented by a convenience sample that was obtained at the "Distinguished Lecturers Series" at the WBS and from responses submitted by the WBS graduates on the MBAConnect.com website. The "Distinguished Lecturers Series" is an activity by the WBS to attract WBS alumni and

other guests to the presentation by external lecturers on topics of wide interest. The series brings together many of South Africa's high profile business leaders to share their insights into current business issues and strategies. Furthermore, the programme builds and strengthens the relationship between the WBS and leading corporations, media and government agencies. The questionnaire explicitly asks from respondents if they are WBS alumni or graduates and only responses from WBS graduates were used. The response is expected to be around 50% of respondents. Such a relatively high response rate would be the result of the fact that the individuals surveyed would be in a controlled environment (conference hall) and positive peer pressure should motivate them to respond.

The response from the MBAConnect.com website was expected to be much lower; around 5% - 10%. Approximate size of the WBS MBA graduates was given by the website owner Colette Symanowitz prior to the academic approval of the research. The estimated size of the WBS members on that website was 500 individuals.

The response rate for Doody's study (Doody 1997) was 24% (76 responses), while for Louw's et al. (2001) study the response by the business community was 8%. Both of these studies used mailed questionnaires without pre- or post-study follow-up.

## 3.4 The research instrument

A questionnaire was used in this survey; it was designed to be self-explanatory. To be able to assess the relevance of the core curriculum presented by the WBS, a short course description (see Appendix B) together with the questionnaire was provided. This was added to the questionnaire to explain to respondents from the business manager's community what each subject entails and assist them to assign relevance to each course. The list of skills and traits is self-explanatory. The questionnaire was pilot tested prior to administration to establish internal validity.

The first question was presented in table form with 12 core courses taught at the WBS listed. Respondents were asked to rate the relative importance of each course

for the running of the business on the 5 point verbal ordinal scale. The second question had the same format with 37 managerial skills and traits listed. The same 5 point verbal ordinal scale was used to gauge respondents' rating of relative importance. The questionnaire did contain carefully phrased statements or questions above each table.

The relevance of the listed courses and skills and traits in the first and second questions has been confirmed by comparing them to other studies such as those of Baruch and Leeming (1996), Hunt and Baruch (2003), Knowles and Hensher (2005), Belasen and Rufer (2007) and Rubin and Dierdorff (2009), while most of the listed managerial skills are identical to the study by Louw et al. (2001). A sample of the questionnaire is attached in Appendix A.

## 3.5 Procedure for data collection

The survey was administered according to availability and access to respondents. The same survey was used for both populations, however, self-administered questionnaires was presented to the students in the class environment, while the same questionnaire was presented to one sample of business managers in conference environment and to a different sample of business managers over the internet. The author of the survey, with support from lecturers, appealed to all students for assistance while respondents from both groups of managers were approached by relevant conferences speakers or forum authorities prior to sending the questionnaire to motivate their cooperation and ensure their support for the survey. Although some bias might have been introduced by this call for support, this was considered a necessary step to gather data from respondents (quite a few incomplete questionnaires were found in the managers' sample). The assumed seniority, professionalism and maturity of respondents from the managers' sample should have ensured the collection of complete and valid data.

Student classes were approached on different days and the completed questionnaires from students were collected immediately after the classes while a few days were needed for collection from the business community (mainly as a result

of the internet based survey). Overall, five weeks was sufficient to collect all questionnaires.

## 3.6 Data analysis and interpretation

In this study, a distribution-fitting algorithmic approach (Stacey 2005) was used to estimate the means and standard deviations of distributions of respondents' opinions. The verbal ordinal response data was collected from questionnaires mainly because collection of such categorical responses is quicker and easier to obtain then obtaining interval level data. However, attitudes and opinions vary continuously rather than in discrete quanta, and ideally should be represented using continuous variables (Stacey 2005). Use of verbal ordinal scales, although common in practice, introduces methodological limitations and constraints. Thus, this data was analysed using a lognormal distribution fitting algorithm approach suggested by Stacey (2005). This method not only overcomes the problem of the level of data, but also reduces the categorisation error that is present with other methods of rescaling of ordinal to interval data. It has been shown that this method increases reliability and validity of results (Stacey 2005).

To determine whether managers and students value core courses and managerial skills with significant differences (see H1 and H2) the samples mean scores have been compared for each of the courses and skills, using two-tailed paired *t-tests* have been compared. A 99% confidence level was also used to ensure a high level of confidence in the results because of concerns with the practical significance of the study. This gave a clear indication as to whether results relevant to the WBS are different from results for the whole country as obtained by Louw et al. (2001). It also provided answers in support of the stated hypothesis.

## 3.7 Limitations of the study

A potential weakness of this study could arise from the fact that most of the other studies have also analysed opinions of the MBA graduates (Baruch and Leeming 1996; Doody 1997; Louw et al. 2001; Carmichael and Sutherland 2005; Carmichael

and Stacey 2006), while a smaller number of studies have looked at the opinions and attitudes of the students (Gabric and McFadden 2001; Farkas 2008). The reasoning behind this approach is that these studies were evaluating the results of managerial education and in that case one would have to look at the final product: the MBA graduate.

The purpose of this study, however, was to assess the gap in opinions between students and managers and for that purpose, the student population as defined above is therefore suitable. For the purpose of evaluating managerial education relevant managerial experience is needed and although WBS MBA programme requires some form of work experience as a condition for admittance to the programme, relevance of this work experience could be questioned (Mitzberg 2004). As mentioned earlier, the development and refining of these skills and traits would most probably occur in the work environment.

The WBS alumni (managers) opinion on core courses and managerial skills and traits was shaped by real life work problems and they were probably in charge of employing new MBA graduates (GMAC 2007). They were therefore considered ideal representatives of the incumbent managers to answer the questionnaire. The only negative aspect of this population is the close relationship and assumed loyalty towards the WBS which could imply some bias towards favouring their *alma mater* in answering the survey.

It should be noted that the main difference between these two groups is the length of experience in running a business and seniority within the organisation. The group of respondents from the business community should have much longer managerial experience and higher positions within the organisation than the MBA students. Differences in opinion, if any, could have risen as a result of these factors.

This study analysed opinions of current MBA students at the WBS, but this should not be taken as the general opinion of all of the past students nor of the current students entering the MBA programme; it should be noted that the current 2010/2011 MBA programme is utilising a new, revised curriculum. Because this

study is internally focused on WBS, one should not necessarily assume that the findings reported here can be generalised to other institutions.

## 3.8 Validity and reliability

Besides ensuring that analytical analysis of data improves the validity and reliability of the survey, the following objectives was pursued (Thomas 2004):

- Maximise the quantity of responses - by reaching the whole of the student population and a large sample from the business community.
- Maximise the quality of responses - by administering the survey in the classroom (peer pressure/formal environment).
- Be visually attractive- - high quality of print and attractive questionnaire design.
- Look short -- two page questionnaire, plus one page course description.
- Look interesting.
- Be easy to complete – simple tick in the box provided within the simple table.
- Be easy to return - collected on the spot by the administrator or emailed back to sender.

### *3.8.1 External validity*

External validity measures the ability of the research to be generalised across persons and situations (Lancaster 2005). The first survey in this study was performed on the large proportion of the student population in question; therefore this part of the study had a relatively high external validity.

The second survey utilised a convenience sampling and there is a possibility that external validity is somewhat lower, however, attempts were made to maximise

quality and quantity of responses and this has resulted in good quality data with a reasonably high sample size of 55 managers. It is important not to extrapolate opinions of this group to the rest of the business community because of the close association of respondents to the WBS.

A generic problem with using questionnaires to survey a population is the self-selecting nature of the resulting sample. Simply stated, those individuals with strong feelings towards the WBS, curriculum of the WBS or management development, are probably more likely to respond to a questionnaire enquiring about such feelings/opinions than those without any current interest or commitment. Generalising on the basis of such responses will tend to exaggerate the ratings to a much higher or much lower than the general population (Macfarlane and Ottewill 2004).

### *3.8.2 Internal validity*

In an attempt to establish content validity the questionnaire will be tested on a group of five current WBS students and their opinions regarding the design of the questionnaire will be summarised in the research report (see Appendix C). In addition to this pilot study this research instrument has been tested in previous research (Louw et al. 2001). This testing will be conducted once an academic panel has approved the research and then answers to following questions will be analysed (Bendixen 2005):

- Is the vocabulary simple, direct and familiar to all respondents?
- Do any words have vague or ambiguous meanings?
- Are any of the questions “double-barreled”?
- Are the questions leading or loaded?
- Are the instructions potentially confusing?
- Is the question applicable to all respondents?

- Are the questions of an appropriate length?

### *3.8.3 Reliability*

- The stability of the proposed questionnaire was evaluated and compared with a previous study (Louw et al. 2001), however, because of the extended period of time that has passed since the last study and the fact that this is a focused study on the WBS, the researcher cannot draw conclusions regarding the stability of the instrument, but reported on any relevant changes in response. The requirement that same questionnaire should produce same results to be considered stable and therefore reliable, needs to be viewed with respect to the surveyed population, which in these two studies (Louw et al. 2001 and this current one) is not the case.

- As a result of pledge for assistance some minor interference by the investigators might be present; respondents might be unwillingly pushed into answering the survey as result of group pressure. While administering the questionnaire to respondents, care will be taken not to affect the outcome of the survey in anyway. Minimal discussion about the subject will be conducted therefore the reliability and validity of the data gathered should be high.

# CHAPTER 4: PRESENTATION OF RESULTS

## 4.1 Introduction

Results of the study will be presented in the order of proposed hypothesis, starting with analysis of the results pertaining to “Core Courses” in 4.3 and continuing with the results for “Managerial Skills and Traits” in 4.4. The results were analysed firstly by conducting descriptive statistics and estimating means and standard deviations of two groups of responses and reporting on those, thereafter difference between means of two independent samples was estimated by conducting a t-tests. It is important to note that a distribution fitting algorithm has been applied in estimating means and standard deviations as described in 3.

Distributions of the answers have been standardised such that overall mean is equal to zero and the overall variance (being the sum of the variance of the item means plus the mean variance of items) is standardised to unity (Stacey 2005).

That is:

$$\mu_{Total} = 0$$

$$\sigma^2_{Total} = \sigma^2_{Across\ Items} + \sigma^2_{Within\ Items} = 1$$

This has resulted in mean rating of “Importance” that is not in the expected range of 1 to 5 as per survey questionnaire, instead means are distributed around zero and standard deviations around one.

The reason for standardising of survey results is to enable comparing of variables with different means and standard deviations on a single scale. Ratings of each core course or managerial skill in questionnaire is represented by its own/unique distribution of answers. These distributions might differ as result of differences in teaching methods, different grading procedures or different dynamics within the groups of respondents (Albright et al. 2003). Standardisation is a process where these unique distributions are “standardised” and measured and compared on single scale.

**Table 4: Mean Values for Students Rating of Importance of Core Course (n = 177)**

| | Raw data |
|---|---|
| Item | μ |
| Strategic Management | 4.37 |
| Accounting and Finance | 4.35 |
| Finance | 4.25 |
| Human Resource Management | 3.89 |
| Organisational Development and Leadership | 3.87 |
| Marketing Management | 3.92 |
| Ethics, Sustainability and Governance | 3.58 |
| Economics for Business | 3.87 |
| Operations and Technology | 3.62 |
| International Business | 3.61 |
| Information Systems Management | 3.47 |
| Decision Science | 3.43 |
| Research Methodology | 3.13 |

| | Standardised data |
|---|---|
| Item | μ |
| Strategic Management | 0.4859 |
| Accounting and Finance | 0.4409 |
| Finance | 0.3533 |
| Human Resource Management | -0.0706 |
| Organisational Development and Leadership | -0.0644 |
| Marketing Management | -0.0420 |
| Ethics, Sustainability and Governance | -0.3540 |
| Economics for Business | -0.0916 |
| Operations and Technology | -0.3686 |
| International Business | -0.3593 |
| Information Systems Management | -0.5174 |
| Decision Science | -0.5321 |
| Research Methodology | -0.8217 |

Example of mean values for student's opinions with respect to importance of core courses is presented in Table 3. Although the most important course ("Strategic Management") and least important course ("Research Methodology") did receive same ranking based on different methods of estimating mean values, it is clear from this table that this is not the case with all courses. Similar would apply to means and standard deviations for students and managers with respect to core courses and managerial skills and traits.

Therefore validity of this survey has been improved by utilising "standardising" method.

## 4.2 Demographic profile of respondents

The survey has collected 178 completed questionnaires from the student population and the response rate was fairly high. A total of 26 questionnaires were discarded because of incomplete responses and 25 students were not present at the time of conducting the survey, this represents 78% response rate of the total registered student population. This success is prescribed to the collection method. It was noted that different classes had a larger number of older students than the others. The full-time class had a much younger student population while part-time classes had older students. This observation could influence responses of the survey results as older students might answer questions differently than younger students, however, this study did not focus on potential differences in responses between students of different age, sex, race or work experience.

With respect to the manager sample, two groups of respondents have been surveyed. The first group was surveyed during the "Distinguished Lecture Series" at the WBS on the 18 May 2010 when 28 responses were collected. The second group of managers was surveyed by means of a web based survey where a request for cooperation was emailed to the population of the WBS MBA graduates registered on the MBAConnect.net website. This website brings together the MBA community from the whole of South Africa and total membership is in the range of 5000. The WBS community has around 500 members. The website owner appealed to the members

to answer the survey and support the research and the survey was conducted from 29 June 2010 to 6 July 2010. Out of this population 45 responses were collected. After discarding incomplete questionnaires, 27 useful responses were added to the database. This group of respondents were surveyed for the additional two variables “Years of experience” and “No. of employees”. These variables have been added to the survey in an attempt to distinguish if the population of managers is appropriately represented with experienced managers.

Although this data was interesting and it gave some insight into the survey population, it did not form part of further survey analysis and report as only a portion of respondents have been requested to provide answers to these questions.

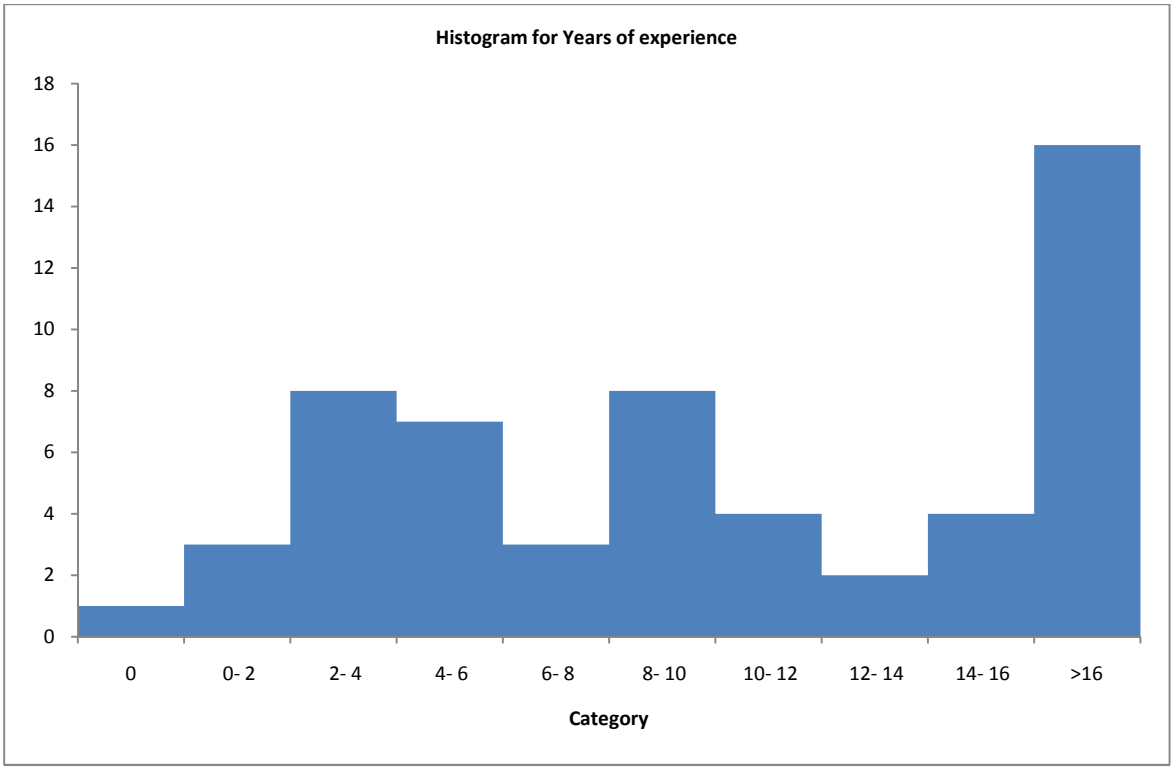


**Figure 1 – Histogram for Years of experience**

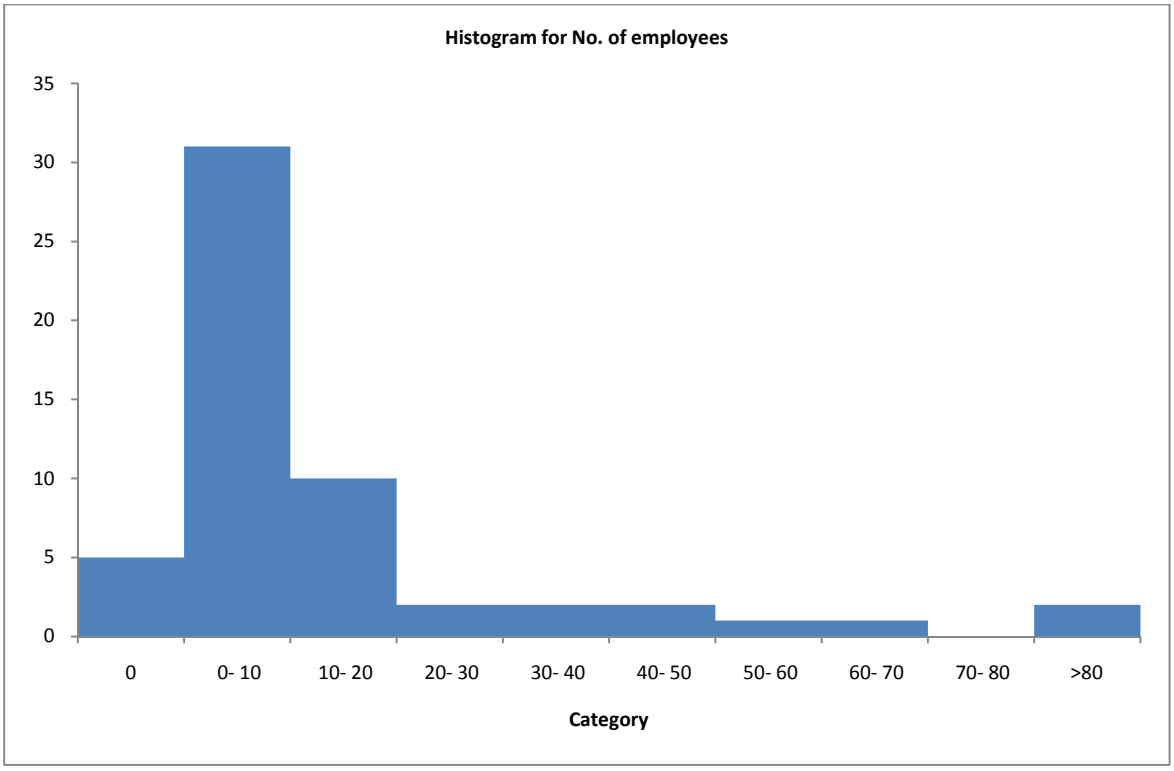


**Figure 2 – Histogram for No. of employees**

The histogram for years of experience (Figure 1) shows that most of the surveyed managers have a substantial number of years in the work environment, 79% of responding graduates have at least four years of managerial experience. It has been quite surprising that MBA graduates with a fairly substantial number of years of experience did not manage a larger number of employees (Figure 2). A large majority of respondents have stated that they are supervising/managing between 1 and 20 employees. This would indicate that:

- MBA graduates are working in smaller professional firms or as consultants.
- Respondent may have understood that the question relates to number of employees under direct control (in relation to extended control). The CEO of the large company with 1000 employees may have direct control over head office staff only (this has been indicated in comments within survey). Some respondents have indicated that the number of employees that they manage is flexible and contract dependent.

## 4.3 Results pertaining to Hypothesis 1

***Hypothesis 1:***

> ***There are statistically significant differences between WBS MBA student's and manager's rating of the relative importance of core courses for the running of a business.***

Based on the results of the survey as indicated in Table 4, courses such as Strategic Management and Accounting and Finance did receive the highest rating among students and managers while the lowest rating among both groups of respondents is assigned to the Research Methodology course. It was surprising how much of a lower rating this course has received with respect to the other courses, bearing in mind that this is the final and often biggest obstacle in achieving the MBA degree. Mean value for this course is -0.99 for managers, while second worst rating is -0.58 for International Business. Among students Research Methodology has received a mean rating of -0.82 while second worst rating is -0.53 for Decision Science. With both groups of respondents standard deviations are around 1 indicating relative agreement among respondents with respect to the importance of this course.

The difference between students and managers ratings of the WBS MBA core courses is somewhat inconclusive, although a statistically significant difference was found in 1 out of 13 courses (at 99% confidence level). Even at a 95% confidence level only 3 out of 13 courses have statistically different ratings. Ethics, Sustainability and Governance is the only course that has statistically significant difference in ratings at a 99% confidence level students have assigned a much lower rating to this course than managers (see Table 4). Students have assigned it 7$^{th}$ place on the scale of importance while managers have rated it as the 3$^{rd}$ 'most important course'. It is interesting to note that standard deviation for the importance of this course is the largest among managers and this would indicate quite a large variation in responses and possible disagreement about how important this course really is in the real world.

Based on above findings it could be concluded that:

There are statistically significant differences between students' and managers' ratings of the relative importance of core courses for running a business. Statistically significant difference has been found with respect to the "Ethics, Sustainability and Governance" course.

Therefore, hypothesis 1 is accepted.

**Table 5: WBS MBA students and managers perceptions of the relative importance of core courses (n=233)**

| Ref | Item | Students perceptions | | | Managers perceptions | | | Sp | t-value | p-value |
|---|---|---|---|---|---|---|---|---|---|---|
| | | μ | σ | n | μ | σ | n | | | |
| 11 | Strategic Management | 0.4859 | 0.8710 | 173 | 0.3469 | 0.9019 | 55 | 0.8783 | 1.0258 | 0.3061 |
| 3 | Accounting and Finance | 0.4409 | 0.9767 | 173 | 0.3490 | 1.1257 | 55 | 1.0135 | 0.5875 | 0.5575 |
| 8 | Finance | 0.3533 | 0.9190 | 173 | 0.2333 | 0.9351 | 55 | 0.9228 | 0.8428 | 0.4002 |
| 4 | Marketing Management | -0.0420 | 0.9167 | 173 | -0.2730 | 0.5245 | 55 | 0.8416 | 1.7791 | 0.0765 |
| 7 | Organisational Development and Leadership | -0.0644 | 1.0244 | 173 | -0.0449 | 1.0599 | 55 | 1.0328 | -0.1222 | 0.9028 |
| 1 | Human Resource Management | -0.0705 | 0.9346 | 173 | 0.0380 | 0.9513 | 55 | 0.9482 | -0.7424 | 0.4586 |
| 2 | Economics for Business | -0.0915 | 0.9311 | 173 | -0.4448 | 0.8548 | 55 | 0.9138 | 2.5052 | 0.0129 |
| 9 | Ethics, Sustainability and Governance | -0.3540 | 1.0836 | 173 | 0.3182 | 1.4893 | 55 | 1.1909 | -3.6589 | 0.0003 |
| 13 | International Business | -0.3593 | 0.9708 | 173 | -0.5815 | 0.8200 | 55 | 0.9377 | 1.5361 | 0.1259 |
| 5 | Operations and Technology | -0.3685 | 0.9055 | 173 | -0.1782 | 0.8265 | 55 | 0.8877 | -1.3904 | 0.1658 |
| 6 | Information Systems Management | -0.5174 | 0.8624 | 173 | -0.2007 | 0.9385 | 55 | 0.8808 | -2.3304 | 0.0206 |
| 10 | Decision Science | -0.5321 | 1.0104 | 173 | -0.4215 | 0.9073 | 55 | 0.9873 | -0.7262 | 0.4685 |
| 12 | Research Methodology | -0.8217 | 1.0563 | 173 | -0.3947 | 1.0700 | 55 | 1.0595 | 1.0587 | 0.2908 |

## 4.4 Results pertaining to Hypothesis 2

***Hypothesis 2***

> ***There are statistically significant differences between WBS MBA students' and managers' ratings of the relative importance of management skills and traits required in the work environment.***

Similar to the rating of the core courses, choice of the top and bottom managerial skills and traits are fairly consistent from both groups of respondents (Table 5). The most important skill is "Leadership" and the least important skills are "Interest and studiousness", "Facilitating Skills" and "Controlling Skills". Although selection for three least important skills are the same among the different groups of respondents, ratings are slightly different, "Interest and studiousness" is least important among the managers and third least important among the students.

Regarding the most important managerial skill or trait there seem to be agreement among the students and managers with respect to "Leadership". Both groups of respondents have given a high rating to this particular skill, however, the rating relative to the second most important skill is somewhat different. Students have given a very high rating to the "Leadership" (mean rating of 1.26) while the second most important skill is "Accountability" which has received a mean rating of 0.49. The difference among the managers is not as dramatic; "Leadership" has received a mean rating of 0.89 while "Decision making skill" as the second most important skill has received a mean rating of 0.64. It is important to notice that the standard deviation among the students is the largest for the "Leadership" 1.34. This standard deviation is the largest among both groups of respondents for all 37 skills and traits. This would indicate a large disagreement or lack of consensus among the students regarding how important this skill is. There is no doubt that both groups of respondents rate this skill highly, however, a large standard deviation and a large distance between the first and second most important skill indicates that disagreement. A relatively large sample size of 178 among the student population would in normal circumstances ensure relatively lower values for standard deviation which was not the case here.

Among the group of managers, it is important to notice a relatively high rating and large standard deviation for the “Business ethics and integrity” skill. It has been ranked as the 4th most important skill out of 37 different skills and traits. However, as previously shown in Table 6, the standard deviation is relatively large, in this case the second largest among all skills and traits as rated by the managers. This finding would reinforce the previous finding in 4.3.

It is important to notice that 15 skills have received higher ratings by the students than by the managers, leaving out 22 skills that managers have found to be of higher importance then the students. This would indicate that managers in general do attach higher ratings to the listed managerial skills and traits than students do.

Another important finding is that, notwithstanding the differences in ratings between students and managers, these differences are generally very small. Only one skill among 37 skills is found to have a difference in importance of statistically significant order. At a 99% confidence level “Time management” is the only skill that has a difference of means that is of statistical significant, the same stands for a confidence level of 95%. Both groups of respondents have fairly consistent views on the importance of this skill and corresponding standard deviations are close to 1. While the managers mean rating for this skill is -0.288, students rate it higher, at 0.111.

Based on above finding it could be concluded that: There are statistically significant differences between students’ and managers’ ratings of the relative importance of management skills and traits required in the work environment.

Statistically significant differences have been found with respect to the “Time management” skill.

Therefore, hypothesis 2 is accepted.

**Table 6: WBS MBA students and managers perceptions of the relative importance of managerial skills and traits (n=233)**

| Ref | Item | Students perceptions | | | Managers perceptions | | | Sp | t-value | p-value |
|---|---|---|---|---|---|---|---|---|---|---|
| | | μ | σ | n | μ | σ | n | | | |
| 1 | Leadership | 1.2619 | 1.3449 | 178 | 0.8928 | 0.9834 | 55 | 1.2697 | 1.8844 | 0.0608 |
| 19 | Accountability | 0.4905 | 0.9392 | 178 | 0.4504 | 1.0793 | 55 | 0.9737 | 0.2666 | 0.7900 |
| 13 | Ability to accept responsibility | 0.4554 | 0.9825 | 178 | 0.5594 | 0.9645 | 55 | 0.9783 | -0.6890 | 0.4915 |
| 3 | Analytical thinking and problem solving | 0.4292 | 0.7639 | 178 | 0.3520 | 0.7430 | 55 | 0.7590 | 0.6595 | 0.5102 |
| 6 | Decision-making skills | 0.4101 | 0.8550 | 178 | 0.6360 | 0.9018 | 55 | 0.8662 | -1.6901 | 0.0924 |
| 8 | Self-confidence and decisiveness | 0.3740 | 1.0207 | 178 | 0.3648 | 0.9526 | 55 | 1.0052 | 0.0593 | 0.9528 |
| 2 | Creative thinking and initiatives | 0.3147 | 0.8504 | 178 | 0.2041 | 0.6774 | 55 | 0.8132 | 0.8813 | 0.3791 |
| 7 | Driving force and motivation | 0.2931 | 0.9528 | 178 | 0.2364 | 0.8464 | 55 | 0.9290 | 0.3957 | 0.6927 |
| 5 | Ability to convey a strong sense of vision | 0.2572 | 0.9150 | 178 | 0.4150 | 0.9100 | 55 | 0.9138 | -1.1194 | 0.2641 |
| 18 | Ability to delegate | 0.2202 | 0.9234 | 178 | 0.0009 | 0.8043 | 55 | 0.8970 | 1.5843 | 0.1145 |
| 23 | Business ethics and integrity | 0.2077 | 1.1145 | 178 | 0.4824 | 1.3032 | 55 | 1.1613 | -1.5334 | 0.1265 |
| 4 | Holistic (systems) thinking | 0.1975 | 0.8325 | 178 | 0.2355 | 0.9649 | 55 | 0.8653 | -0.2846 | 0.7762 |
| 11 | Planning skills | 0.1800 | 0.9226 | 178 | 0.1859 | 0.9576 | 55 | 0.9309 | -0.0412 | 0.9672 |
| 21 | Interpersonal (networking) skills | 0.1441 | 0.9439 | 178 | -0.0571 | 0.6625 | 55 | 0.8862 | 1.4715 | 0.1425 |
| 16 | Clear oral communication | 0.1364 | 0.8207 | 178 | 0.1742 | 0.6753 | 55 | 0.7891 | -0.3103 | 0.7566 |
| 14 | Working in teams | 0.1331 | 1.0917 | 178 | -0.1526 | 0.8235 | 55 | 1.0352 | 1.7884 | 0.0750 |
| 10 | Motivating skills | 0.1166 | 0.8340 | 178 | 0.1427 | 0.8353 | 55 | 0.8343 | -0.2029 | 0.8394 |
| 24 | Time management | 0.1114 | 0.9814 | 178 | -0.2880 | 0.9214 | 55 | 0.9677 | 2.6757 | 0.0080 |
| 33 | Emotional stability | 0.0614 | 0.9534 | 178 | 0.2682 | 1.3356 | 55 | 1.0552 | -1.2704 | 0.2052 |
| 12 | Pro-activity | -0.0310 | 0.8287 | 178 | 0.0444 | 0.8739 | 55 | 0.8395 | -0.5821 | 0.5610 |
| 9 | Negotiating skills | -0.0485 | 0.8901 | 178 | 0.1872 | 0.7298 | 55 | 0.8554 | -1.7866 | 0.0753 |
| 25 | Mental agility | -0.0691 | 0.8496 | 178 | 0.1101 | 1.1349 | 55 | 0.9242 | -1.2574 | 0.2099 |
| 22 | Sensitivity to business environment | -0.0797 | 0.9360 | 178 | -0.2656 | 0.8145 | 55 | 0.9091 | 1.3259 | 0.1862 |
| 32 | Ability to interpret instructions correctly | -0.0801 | 0.8354 | 178 | -0.0219 | 1.0158 | 55 | 0.8809 | -0.4283 | 0.6688 |
| 20 | Clear written communication | -0.0894 | 0.9517 | 178 | -0.0638 | 0.8664 | 55 | 0.9325 | -0.1777 | 0.8591 |
| 26 | Command of basic facts | -0.1762 | 0.8549 | 178 | 0.0026 | 0.9617 | 55 | 0.8810 | -1.3152 | 0.1897 |
| 34 | Coaching skills | -0.1855 | 1.0045 | 178 | -0.1026 | 1.1144 | 55 | 1.0312 | -0.5211 | 0.6028 |
| 17 | Organizing skills | -0.1960 | 0.8070 | 178 | -0.1324 | 0.5975 | 55 | 0.7632 | -0.5395 | 0.5901 |
| 28 | Social skills and abilities | -0.2321 | 0.9224 | 178 | -0.3226 | 0.7378 | 55 | 0.8827 | 0.6643 | 0.5072 |
| 36 | Supervisory skills | -0.2374 | 0.7813 | 178 | -0.1854 | 0.9413 | 55 | 0.8215 | -0.4103 | 0.6820 |
| 15 | Entrepreneurial skills | -0.2601 | 1.0622 | 178 | -0.3181 | 0.8427 | 55 | 1.0151 | 0.3699 | 0.7118 |
| 35 | Numerical skills | -0.2725 | 0.8230 | 178 | -0.1527 | 0.9106 | 55 | 0.8443 | -0.9196 | 0.3587 |
| 30 | Ability to cooperate | -0.2863 | 0.7923 | 178 | -0.3182 | 0.9944 | 55 | 0.8439 | 0.2451 | 0.8066 |
| 31 | Computer literacy(PC) | -0.3281 | 1.0220 | 178 | -0.2823 | 0.8938 | 55 | 0.9935 | -0.2992 | 0.7651 |
| 37 | Interest and studiousness | -0.3677 | 0.8803 | 178 | -0.6185 | 0.9423 | 55 | 0.8952 | 1.8164 | 0.0706 |
| 29 | Facilitating skills | -0.4230 | 0.7815 | 178 | -0.3766 | 0.8719 | 55 | 0.8035 | -0.3749 | 0.7081 |
| 27 | Controlling skills | -0.4902 | 0.8960 | 178 | -0.4329 | 0.8706 | 55 | 0.8902 | -0.4173 | 0.6769 |

## 4.5 Meaningful vs. Statistically Significant Difference

As noted in 4.3 and 4.4, a statistically significant difference exits among WBS MBA students and managers regarding core courses and managerial skills and traits. These findings are confirmed with very high level of confidence (99% confidence level) and with reasonably large sample of respondents, therefore these findings are taken as significant with respect to the goals of this study and tested hypothesis. However, with respect to the overall structure of the WBS MBA programme these findings are somewhat immaterial. Out of 13 listed core courses statistically significant difference was found with respect to only one course. This would suggest that respondents are in agreement regarding relevance of 12 other courses. Alternately, these results could suggest that differences in relevance, if any, are not as obvious and might not be statistically significant. Similar results are linked to managerial skills and traits, in which case differences in opinions are even smaller. Only one skill “Time management” among 37 is found to have statistically significant differences in ratings.

These findings raise the question of whether;

- There statistically significant differences large enough to have meaningful impact on WBS MBA programme?

Based on the findings of this study and literature review, following could be stated;

- Differences among WBS MBA students and managers with respect to core courses and managerial skills and traits are not very large and correlation coefficient of opinions between students and managers also confirms that there is large agreement with respect to the items on the survey (Figure 3).

The fact that statistically significant differences are few would make it so much easier to correct them and satisfy needs of WBS client base (students). It should also be noted that, besides identifying major differences in opinions, this study has produces other relevant findings, such as; identifying core courses and managerial skills traits with highest and lowest ratings and identifying core courses and managerial skills

and traits with highest and lowest standard deviations (reflecting agreement/disagreement on relevance of core courses and managerial skills and traits).

Figure 3 represents correlation of mean values of WBS MBA students and managers with respect to the survey questions (items). It should be noted that survey items (core courses and managerial skills and traits) that did receive same or similar rating from both groups of respondents, would be grouped on diagonal line as presented on the graph. Items that are far away from that line would be the items that have largest disagreement on issue of relevance.

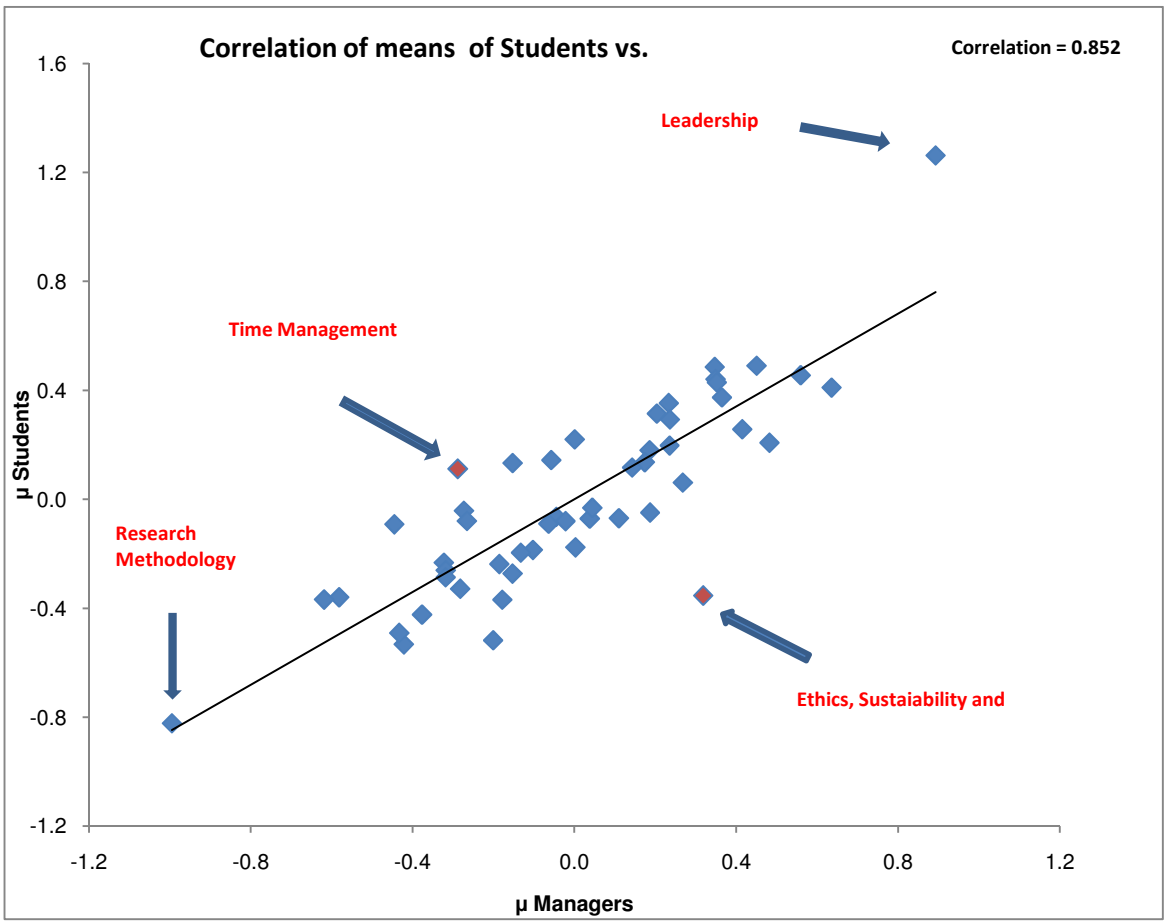


**Figure 3: Scatter-plot of Correlations of Means of Students vs. Managers**

## 4.6 Summary of the results

The results of the analysis of survey could be summarised as follows:

1. “Strategic Management” and “Accounting and Finance” are courses with the highest rating among both groups of respondents.
2. “Research Methodology” is a course with the lowest rating among both groups of respondents.
3. “Ethics, Sustainability and Governance” is the course that has a statistically significant difference in ratings between two groups of respondents at a 99% confidence level. This fact coupled with very high standard deviation for this course indicates confusion or disagreement of the importance of this course in the managers group of respondents.
4. “Leadership” is the most important skill according to both groups.
5. A large standard deviation in student group indicates some disagreement on importance of the “Leadership” skill.
6. The least important skills, according to both groups of respondents, are “Interest and studiousness”, “Facilitating Skills” and “Controlling Skills”.
7. The “Business ethics and integrity” skill has a large standard deviation in the managers group of respondents.
8. Managers, in general, do attach higher ratings to the listed managerial skills and traits than students.
9. One skill, “Time management” among 37 skills was found to have a difference in importance of statistical significance, students attached a higher rating to this skill than managers.

Based on above findings both Hypothesis 1 and Hypothesis 2 have been accepted.

# CHAPTER 5: DISCUSSION OF THE RESULTS

## 5.1 Introduction

This chapter will discuss and explain the results of the survey as stated in the summary of previous chapter with reference to literature review.

## 5.2 Discussion pertaining to Hypothesis 1

### 5.2.1 *"Strategic Management" and "Accounting and Finance"*

These courses have received the highest rating among both groups of respondents. This is not surprising bearing in mind that "Strategic Management" has often been the only, core cross-functional integration course (Porter and McKibbin 1988) while "Accounting and Finance" on other hand is one of the most technical courses represented in the core curriculum worldwide.

This study has shown that, although there has been a strong trend within management education and society to increase the proportion of "soft" courses within the curriculum over the last few decades, appreciation by students and managers of "Strategic Management" and "Accounting and Finance" remains strong. This course still commands the highest ranking from both students and business managers.

These results support the study by Rubin and Dierdorff (2009:209), who state that students believe that the possession of technical skills is more "useful" in gaining employment, it would therefore, be understandable that students would attach a higher rating to such courses. Such opinions are quite often supported by corporate recruiters who attach a high importance on possession of technical skills in their selection of workforce. This high appreciation of "hard" or technical skills by the student population has also been confirmed in the Farkas (2002) study.

Findings of this study have confirmed the findings of the study by Gabric and McFadden (2001) where general managerial and technical skills do receive high ratings by students and managers. Similar support is given to results of the Singh and Schick (2007) study which has also found that MBA students still rate these two courses as most important. These results are also in agreement with findings of Louw et al. (2001).

### 5.2.2 *"Research Methodology"*

It was quite surprising to see that there is such a high level of conformity of opinions when it comes to the "Research Methodology" course with clearly the lowest rating among both groups of respondents. As mentioned previously, inclusion of research at Master's level is not optional in terms of the South African Qualifications Authority's (SAQA) level descriptors (SAQA 2001a), and an undertaking of this nature is one of the key differentiators from a Bachelor's degree. This prerequisite did not seem to concern students or managers much. Regarding student's view on this course, it could be concluded that lack of understanding of what is required and what benefits, besides compulsory fulfilment of the requirements for the degree, could be gained. With respect to the managers who have previously completed this requirement for an MBA degree, it is disturbing that there is no realisation present of the benefits of this part of the curriculum. Based on the opinions of the managers, it could be concluded that skills and knowledge gained by completion of this course don't produce any benefits that are useful in their work environment. Among the managers the second lowest rating has a mean rating of -0.58 while "Research Methodology" has received a rating of -0.99 with an almost ideal standard deviation of 1, indicating agreement among a surveyed sample of 55 managers. Among the students similar responses are observed, the second lowest mean rating is -0.53 and "Research Methodology" has received mean rating of -0.82 with standard deviation close to 1, again indicating agreement among the student sample regarding this course.

Possible answers to reasons for such a low rating of this course is offered by Baruch and Leeming (1996). They have found that research is perceived conventionally as

more relevant to academic work than to business and did not appear to have links with the other managerial competences. Response to research shows an area where business in general has some way to go in understanding the benefits that this course could bring. This demonstrates the tension between the need of most businesses for a solution in the short term and the necessity of thinking about problems in the longer term.

Another source of support for this finding is found in Pfeffer and Fong's (2002) study where criticism of academic research is highlighted. They have found that although academics are influenced by practitioners, little influence flows from academics to industry. They suggest that the research done in business schools is making a modest contribution to management practice and management thought mainly as a result of theory-oriented research work instead of problem-oriented research. The production of more useful, as well as more theoretically interesting research that has potential for applicability in the business world is needed.

It could only be agreed with assertion by Carmichael and Stacey (2006), that it seems clear that the contribution of this methodology to the wide range of key management skills is not sufficiently appreciated and great benefit could be gained by both students and business schools through repositioning and marketing "Research Methodology" as another cross-functional integration course. Generally there is a lack of awareness among students about the range of skills that could be learnt with this methodology and students typically expressed a poor attitude towards doing research.

### 5.2.3 *"Ethics, Sustainability and Governance"*

This course is the only one where statistically significant difference in ratings between two groups of respondents is present at a 99% confidence level. Students rated this course substantially lower than managers. Numerous reasons could be present for such differences in ratings. Although this study did not attempt to find reasons for such difference in rating, a few possibilities came up as a result of the literature review.

Students seemed to easily dismiss a stand-alone ethics course as being peripheral to their core business education, on the other hand attempts to integrate ethics across a variety of functional areas may leave students with a fragmented, multi-method approach to ethical issues instead of an overarching ethical perspective or framework (Evans, Trevino and Weaver 2006).

Knowles and Hensher (2005) have found that there is broad recognition that ethics is not a popular subject choice among students and that student' values changed for the worse during an MBA course, with greater importance placed on shareholder value at the end of the program than any competing stakeholder claim.

Results of this study confirm findings by Pelletier and Bligh (2006) where age and length of employment correlates positively with appreciation of ethics. Exposure to consequences of unethical conduct seems to build appreciation for ethics in general.

Results of this study seem to be at odds with respect to the results of the study of Sleeper, Schneider, Weber and Weber (2006). In their study of student's attitudes towards ethics they have found that the majority of the students in their surveyed population show high levels of interest in courses with socially responsible themes. Highest interest and support for these courses is reported by the female student population. This notion of increased awareness towards ethics in business education has somewhat mixed support within academia and most of the articles found showed a lack of interest towards such courses by MBA students (Macfarlane and Ottewill 2004; Knowles and Hensher 2005; Gundersen, Capozzoli and Rajamma 2008; Rubin and Dierdorff 2009). The study by Sleeper et al. (2006) was conducted at one large Midwestern university in the USA at the time of a societal crisis of confidence in corporate governance that has emerged from major corporate failures. They have, however, acknowledged that these environmental conditions could possibly influence results of their study.

This course seems to embody the observed change among the students, where lack of interest in such courses while enrolled changes and significant satisfaction with the course is reported upon graduating. With exposure to "day to day" managerial work, ex-students (current managers), tend to report and judge these courses as

among the most valuable topical areas within the curricula. It seems that value of "Ethics, Sustainability and Governance" in the work environment is much more appreciated than students tend to believe and the ethical challenges that managers experience in work environment can be quite disturbing and unsettling. This finding is consistent with the study by Rubin and Dierdorff (2009).

This lack of interest by the students for courses in ethics has been confirmed by Singh and Schick (2007). They have found that in spite of business schools' attempt to promote certain courses in ethics students come to their own conclusions about what is important to know. Quite often students focus on shareholder value as the primary driving force behind most management decision making in firms.

Numerous examples in the current South African economic and political environment point out the importance of ethical and quite often criminal issues that are present; from theft of company's inventory and assets to corruption in tender awarding processes. It could be assumed that MBA students do not experience such issues while in the academic world or while employed in a junior position in companies.

### 5.2.4 *Very high standard deviation of the "Ethics, Sustainability and Governance"*

The "Ethics, Sustainability and Governance" course has the highest standard deviation among all courses and between both groups of respondents, this standard deviation is, however, especially high among the managers. This indicates confusion or disagreement of the importance of this course.

This study did not attempt to find reasons for such differences. However, based on the literature review the following could be concluded:

- The reason for the confusion or disagreement among managers on importance of "Ethics, Sustainability and Governance" could have been the result of different values and ethical orientation of organisations and individual leaders. Weaver, Trevino and Cochran (1999) have found that only the leaders inside the organisation are capable of infusing an ethics

program with a value orientation that guides ethical behaviour beyond merely symbolic compliance with the law. Unfortunately, organisational leaders are frequently distant from such programmes and usually assign this function to other managers.

- The historical development of business schools has been guided by a traditional economic model that strongly favours profit seeking and discourages the engagement of social issues (Evans, Trevino and Weaver 2006:288). They have argued that the traditional "shareholder property rights" orientation of many executives (and business schools) is woefully inadequate for addressing social issues. This leaves questions of importance and position of this course within the business school curriculum, open. Is the inclusion of such course just an "official" response to the external environment, endorsing demand for such a course from certain parts of society, or is this course equally important to managers as the rest of curriculum? More generally, there is little consensus about the value of ethics education – either as a stand-alone course or as an integrated component of the business curriculum. Little data exists to support the idea that MBA students who take ethics courses will make ethical decisions more often, or will stay out of legal trouble.
- Knowles and Hensher (2005) have found that the falling popularity of the ethics course is the result of conflict with the more materialistic and individualistic values of business students, also perceptions in the broader business education community are that these areas are 'soft' – lacking in empirical foundation.
- Gundersen et al. (2008) have found that inclusion of ethics in a formal educational setting, specifically in business schools, might not have any ethical behavioural benefits. They question whether ethical education is worth the time and money in terms of preparation, curriculum development, and class time. According to them talking about ethics has only a minimal effect, whereas circumstantial ethics experiences associated with an individual have more of an effect. In their study, they did not find any support for the notion that individuals should become

more ethical as they increase their educational accomplishments because of increasing exposure in receiving ethics curricula.

- According to findings by Macfarlane and Ottewill (2004) the faculty involved in business ethics quite often have marginal or ‘‘tourist’’ status within the business school/management department and those who teach business ethics have often been described as ‘‘pioneers’’ who work to embed the subject in the face of scepticism and antipathy from colleagues. Even where this was not the case, their voice might have been relatively weak compared to that of those representing the interests of business subjects perceived as more ‘‘mainstream’’, such as corporate strategy and marketing.
- Warren and Rosenthal (2006) state that a company’s dysfunction-inducing systems that alienate people and require selfish and corrupt behaviour cannot be repaired by teaching ethics. According to them, the whole system needs drastic change to bring them in line with ethical requirements. They state that “Change the governance and managerial systems and practices and leave the people alone. The people are fine, given proper ethical organisational conditions within which to work” (Warren and Rosenthal 2006:689).

Based on the above, it is understandable why students and managers would be confused about the importance of the course such as “Ethics, Sustainability and Governance”. Mixed responses from academia, materialism, constant profit seeking drive and inconsistent, individualistic, moral and ethical leadership from top management could result in such confusion.

## 5.3 Discussion pertaining to Hypothesis 2

### 5.3.1 *“Leadership”*

Leadership is the highest ranking managerial skill according to both groups. There is no doubt that leadership skills are still in high demand (Bowers and Metcalf 2008;

Rubin and Dierdorff 2009); it has been a focus of managerial education since Porter's and McKibbin's report in 1988. Although it has been noted that MBA graduates in South Africa are lacking leadership skills (Louw et al. 2002), not much has been done to promote this skill until recently. The WBS is paying increased attention to the development of this skill among its students and in recent change to its curriculum the WBS has introduced Leadership within its core courses "Organisational Development and Leadership"; this action elevates leadership to a more prominent position within the MBA program. Combined with this effort, increased focus has been paid to the demand for "soft skills" with the introduction of "Ethics, Sustainability and Governance" within core courses.

The results of this study regarding the importance of leadership are consistent with results of study by Bowers and Metcalf (2008) where high appreciation and demand for leadership skills in the business world is noted. This need for managerial competencies such as leadership skills is consistent with the findings of Abraham and Karns (2009) who have found that this skill is necessary to be successful in a managerial position.

In Mbokazi et al. (2004) study of the importance of managerial skills in Botswana, leadership came up as the most important skill that managers need, this finding has been confirmed.

In the South African business environment, this high regard for "leadership" skills has also been identified by Louw et al. (2001). They have noted that this skill has attracted the highest score among a large respondent population and among 37 skills and traits.

### 5.3.2 *Large standard deviation for "Leadership Skill"*

Within the respondents from the student group a large standard deviation is reported with respect to "Leadership Skill", this would indicate some disagreement on importance of this skill.

Some of the younger students would lack direct experience with leadership as a result of limited work experience. In society at large leadership skills seem to be very much demanded and appreciated, however, practical engagement of students with organisational leaders and leadership skill is needed to be able to evaluate this skill from personal experience. It could be concluded that a large portion of students does not have extensive first-hand experience and their ratings were performed based on assumed importance of this skill as reflected in society.

### 5.3.3 *Least important skills*

According to both groups of respondents, the least important managerial skills are "Interest and studiousness", "Facilitating Skills" and "Controlling Skills". These results are similar to the Louw et al. (2001) study where they found that these particular skills have received lowest ratings. Although these skills would fall in the category "soft skills", ratings from both groups of respondents were surprisingly low. This would indicate that not all "soft skills" are equally appreciated and importance of technical skills did not diminish.

### 5.3.4 *"Business ethics and integrity" skill*

A large standard deviation for this particular skill in managers group of respondents seem to indicate age-old struggle between strong market forces driving company profitability and need to be socially responsible.

Unfortunately, manager's performance is usually evaluated on profitability of the businesses or company's share price (Singh and Schick 2007) and ways used to achieve these goals are often not considered. Some of the reasons reported for engaging in unethical conduct have been "everyone else does it", "it was necessary to get the job done", performance-based judgement calls, faulty rules, socially embedded norms and others (Warren and Rosenthal 2006:694). Singh and Schick (2007) have noticed that maximising shareholder value is the dominant goal that influences management decision making in today's business practice. Unless there is a major legal issue raised in the public domain, managers can practice unethical

behaviour unpunished for a long time. Singh and Schick (2007) have acknowledged that organisational culture, after formal education, plays a major role in how individuals perceive their moral responsibilities. Research has indicated that organisational factors help to explain ethical decision making by individuals consequently, organisational factors have garnered all the attention and have been used to explain ethical failures in organisations. Profit, bonuses, and greed have all been culprits of failure.

Results of this study are consistent with results of Pelletier and Bligh's (2006) study where they have also found mixed results regarding formal ethics codes. They have indicated that a possible reason for this lies is the congruence (or lack thereof) between formal and informal ethics codes. The informal ethical behaviour of the organisational leader is a key factor in promoting ethical behaviour in an organisation. This ethical behaviour of individual leaders permeates throughout the organisation and therefore it is not surprising that managers' opinions of the ethics were so inconsistent.

Another possible reason for such a large standard deviation reported could be from the tendency of managers to give socially desirable responses a higher rating. In other words, managers may perceive it as more socially desirable to be seen as ethically responsible, thus they may have a tendency to overestimate or over-report the importance of ethical behaviour. The tendency to give what is perceived to be socially desirable responses rather than responding to an instrument's actual content has been documented in other studies (Shipper and Davy 2002). Although this survey was anonymous, the possibility of such responses could not be excluded.

It is assumed that the majority of managers are ethical individuals and this organisational and social pressure to perform and engage in unethical conduct creates confusion which could result in such wide ratings (represented with high standard deviation) as reported in this study and confirmed by Warren and Rosenthal (2006).

### 5.3.5 *Managers in general do attach higher ratings to managerial skills*

Based on the results of this study it is reasonable to conclude that managers in general attach a higher rating to listed managerial skills and traits than students do. This finding is consistent with the findings of Louw et al. (2001).

It is important to notice that managerial skills listed in this study are a mixture of "hard" skills and "soft" skills, this distinction is important as currently managerial emphasis seems to be on the importance of "soft" skills while "hard" or technical skills are assumed to be present at the enrolment (Farkas 2002). According to Farkas' (2002) study, employers rate these "hard" skills lower in comparison to "soft" skills then students do. This might indicate that managers are focused on the importance of "soft" skills instead which would be consistent with literature review.

The results of this study suggest that a reason for such a difference in rating of importance of managerial skills is because employers continue to struggle with an ill-prepared workforce and the finding that new employees lack crucial basic and applied skills (Doria et al. 2003; Schmidt-Wilk 2009).

### 5.3.6 *"Time management" skill*

Among 37 skills that have been rated in this study only one is found to have a difference in importance of statistical significance (at a 99% confidence level). Students attached a higher rating to "Time management" skill than managers.

This study has confirmed the results of the study by Baruch and Leeming (1996) who have found that students have a perception of "Time management" skill as one of the most important managerial skills; they, however, feel less competent in this needed skill.

Similar agreement has been found between the Mihail and Elefterie (2006) study which has also found that the "Time Management" skill has attracted the highest rating among managerial skills. In their study of Greek MBA students they have

found that this skill is perceived as very important in business and that MBA studies are positively contributing towards the enhancement of this skill.

In Carmichael and Stacey (2006) time management is noted as one of the important skills within the concept of managing oneself and one's activities responsibly and effectively.

# CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

## 6.1 Conclusions of the study

Based on the results of this study and literature review it can be concluded that managerial education in general, should not lose sight of the current socio-political environment and it should strive to accommodate current trends as much as possible. If society at large and the business community in particular, are concerned with issues of leadership and ethical behaviour, then business schools should acknowledge those concerns and modify the curriculum to accommodate these issues.

Long term requirements and demands on business managers and managerial education should not be lost in this effort to accommodate current trends and established courses such as Strategic Management, Accounting and Finance, Marketing, Human Resources etc., should remain within the core of the MBA programme.

This flexibility in curriculum design seems to be present at the WBS and fine tuning of the curriculum is ongoing, as reflected in recent changes in curriculum.

Findings of this study have shown that there are some strong differences in opinions among students and managers with respect to core WBS courses and managerial skills and traits. However, these strong differences are limited to one course – "Ethics, Sustainability and Governance" and one managerial skill - "Time

Management". A focused effort on behalf of the WBS could relatively easily close this opinion gap and ensure cohesion among these two important stakeholders in MBA education.

## 6.2 Recommendations

To the WBS the following recommendations are made:

- Emphasise importance of "Research Methodology" earlier in the programme, and emphasise important position of this course in overall MBA programme.
- The course on "Ethics, Sustainability and Governance" should be positioned early in the programme so that students would gain awareness of the issue and possibly adjust their view on the matter during the programme. Ongoing remainders and integration of the ethical issues should be reinforced throughout the curriculum.
- Attention should be paid to the issue of "Time Management". This skill is important to the students and although business managers do not share student's opinions, short courses to deal with this issue could be introduced.
- Within the course of "Organisational Development and Leadership", students should be made aware of the position of the leadership in the business world. Confusion on the issue of the importance of this managerial skill is present among students and some clarification might be needed.

## 6.3 Suggestions for further research

The following questions have risen as a result of this study and hopefully new studies will create answers that will complete the picture of the courses and managerial skills at the WBS:

The answers to following Research Questions could be explored;

**Research Question 1;**

Are there significant differences in ratings of “Ethics, Sustainability and Governance” among the students and managers based on length of work experience and number of employees that are managed?

**Research Question 2;**

Are there significant differences in ratings of “Time Management” among the students and managers based on length of work experience and number of employees that are managed?

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# APPENDIX A

## Actual Research Instrument

### Question 1:

On the scale of 1 to 5 (1 being least important and 5 being very important), please rate, based on your opinion, importance of each course for running of the business.

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Human Resource Management | | | | | |
| Economics for Business | | | | | |
| Accounting and Finance | | | | | |
| Marketing Management | | | | | |
| Operations and Technology | | | | | |
| Information Systems Management | | | | | |
| Organisational Development and Leadership | | | | | |
| Finance | | | | | |
| Ethics, Sustainability and Governance | | | | | |
| Decision Science | | | | | |
| Strategic Management | | | | | |
| Research Methodology | | | | | |
| International Business | | | | | |

**Question 2:**

On the scale of 1 to 5 (1 being least important and 5 being very important), please rate, based on your opinion, importance of management skills and traits required in the work environment.

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Leadership | | | | | |
| Creative thinking and initiatives | | | | | |
| Analytical thinking and problem solving | | | | | |
| Holistic (systems) thinking | | | | | |
| Ability to convey a strong sense of vision | | | | | |
| Decision-making skills | | | | | |
| Driving force and motivation | | | | | |
| Self-confidence and decisiveness | | | | | |
| Negotiating skills | | | | | |
| Motivating skills | | | | | |
| Planning skills | | | | | |
| Pro-activity | | | | | |
| Ability to accept responsibility | | | | | |
| Working in teams | | | | | |
| Entrepreneurial skills | | | | | |
| Clear oral communication | | | | | |
| Organising skills | | | | | |
| Ability to delegate | | | | | |
| Accountability | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| Clear written communication | | | | | |
| Interpersonal (networking) skills | | | | | |
| Sensitivity to business environment | | | | | |
| Business ethics and integrity | | | | | |
| Time management | | | | | |
| Mental agility | | | | | |
| Command of basic facts | | | | | |
| Controlling skills | | | | | |
| Social skills and abilities | | | | | |
| Facilitating skills | | | | | |
| Ability to cooperate | | | | | |
| Computer literacy (PC) | | | | | |
| Ability to interpret instructions correctly | | | | | |
| Emotional stability | | | | | |
| Coaching skills | | | | | |
| Numerical skills | | | | | |
| Supervisory skills | | | | | |
| Interest and studiousness | | | | | |

# APPENDIX B

## WBS MBA Programme - Curriculum

### Core Courses:

#### Human Resource Management

This course develops an understanding of the human aspects of business management. It will provide insight into the factors influencing attitudes in the workplace. The ability to contribute to the design and evaluation of key human resource management processes, and a framework for understanding the function of a human resources department and its practitioners will be developed. The course will also include the integration of human resource strategy and a business plan.

#### Economics for Business

This course will give an overview of business and the economy. An analysis of consumer demand and production costs in competitive environments will develop an understanding of pricing strategies in the micro-economic environment. The domestic macroeconomic environment will be assessed in terms of the economy and fiscal and monetary policy. International trade and exchange rate policy and economic growth and development within an international macro-economic environment will be discussed. It includes an integrated, social scientific analysis of the global, African region and South African environments of business.

#### Accounting and Finance

This course will assist candidates to develop financial literacy as generalist users of accounting information for the purposes of business decision making and control. On completion of the module, the candidate should know basic terminology and concepts of finance and accounting and should have successfully compiled a mental model of business dynamics based on the numerical data available. In particular, the candidate must know the characteristics of financial success and be able to identify

situations where these may be absent by reference to accounting and financial information.

**Marketing Management**

The course will introduce candidates to basic issues in marketing, including the marketing concept, marketing research, consumer behaviour, market segmentation and targeting. The marketing mix will be discussed and used to develop a marketing plan. In addition special topics will be addressed including business marketing, the marketing of services, and retail marketing.

**Operations and Technology**

The ability to use good judgement in any type of operating environment is important: service or manufacturing, unique through to continuous type operations. This course also provides an environmental link to operations and a strategic framework, showing linkages to other functions. Models of operations are developed such that useful pictures and/or conclusions can be drawn from the process, including the technology choices.

**Information Systems Management**

The objective of the course is to enable the student to build simple but correctly formulated models of any operation such that useful pictures and/or conclusions can be drawn from the process. The objective is to clarify how the physical process strategies and planning (aligned to market requirements and forecasts) for an operation should always precede any Information Technology or indeed any technology choices.

**Organisational Development and Leadership**

Candidates will become competent to propose and lead the development of organisations, including diagnostic aspects; identify organisational growth characteristics and the strategies and leadership styles required at different phases of growth and development; leading and managing organisational culture, including

leading diverse teams; action organizational development initiatives, understand and utilise power dynamics within organisations, apply the principles of the Learning Organisation, and lead change initiatives, including those of mergers and acquisitions. The general principles of leadership will be covered as they apply in a variety of organisational contexts.

**Finance**

The course covers the management of working capital, financial analysis, the time value of money, capital budgeting, risk and return, capital structure and equity valuation. Concepts explored include operating and cash cycles, ratio analysis, benchmarking, net present value, payback, internal rate of return, operating cash flows, the capital asset pricing model, the cost of capital, and economic and market value added. The course is intended to expose the student to the financial techniques which drive the management of a company.

**Ethics, Sustainability and Governance**

Candidates will learn the relevant concepts, laws and practical issues in the field of ethics, sustainability, and corporate governance, including an understanding of the King II Report, and the application of the concepts to the workplace. Methodologies will be developed to identify and address the primary ethical, sustainability, and corporate governance challenges in the workplace.

**Decision Science**

The course is designed to broaden and deepen the student's understanding of the analytical techniques used to solve business problems in management situations. Students learn to apply statistical theory by means of software packages, where appropriate, to problems involving estimation, simulation and queuing, correlation and regression and forecasting. It is a practical course and on completion the student should be able to use or to supervise the use of the techniques covered.

**Strategic Management**

This course will give candidates an understanding of thinking approaches and actions that allow for the creation and execution of strategic change in an organisation. It will identify local and global strategic leadership and management issues.

**Research Methodology**

In this course students are briefly exposed to the philosophy of science and an understanding of the scientific method. Qualitative and quantitative approaches to research are contrasted and the methods of research design and analysis explored for both paradigms. Students are given guidance to the writing of their research proposals and their research reports.

**International Business**

The content of the course includes (1) an overview of the means of conducting international business, with an emphasis on what makes international different from domestic; (2) the effects of the social systems within countries on the conduct of international business; (3) the major theories explaining international business transactions and the institutions influencing those activities; (4) the financial exchange systems and institutions that measure and facilitate international transactions; (5) the dynamic interface between countries and companies attempting to conduct foreign business activities; (6) corporate strategy alternatives for global operations; and (7) international activities that fall largely within functional disciplines.

## Attendance courses:

- **Business Simulation**
- **Group Dynamics**
- **Personal Leadership**
- **Social Responsibility (Full-time only)**

## Elective courses:

- **Advanced Information Systems**
- **Brand Management**
- **Business Forecasting**
- **Business Strategy in Asia**
- **Competitive Intelligence**
- **Corporate Finance**
- **Corporate Law**
- **Cross Cultural Management**
- **Customer Relationship Management**
- **Developments in Financial Management**
- **E-Commerce**
- **Entrepreneurship**
- **Environment of Business**
- **Equity Investing**
- **Executive Coaching**
- **Financial Derivatives**
- **HIV/AIDS in the Workplace**
- **Human Resources Information Systems**
- **Industry Foresight and Business Future Strategy**
- **International Finance**
- **Investments**
- **isiZulu**
- **Issues in Leadership**
- **Interactive Planning**
- **Industry and Competitor Analysis**
- **International Economics**
- **International Management and Culture**
- **Investments**
- **Managing Business Risk**

- **Managing Corporate Data**
- **Mergers and Acquisitions**
- **New Ventures**
- **Negotiation**
- **Personal Mastery Creativity and Innovation at Work**
- **Philosophy of Management**
- **Private Equity**
- **Profiles of Leadership**
- **Quantitative Research Methods**
- **Taxation**
- **Total Quality Management**
- **Storytelling in Organisations**
- **Strategic Finance**
- **Strategic Golf**
- **Strategic Marketing**
- **Supply Chain Management**
- **The Customer Focused Organisation**

# APPENDIX C

## Results of Pilot Study

A group of five WBS MBA students and graduates were asked following questions regarding the questionnaire:

- Is the vocabulary simple, direct and familiar to all respondents?
- Do any words have vague or ambiguous meanings?
- Are any of the questions “double-barrelled”?
- Are the questions leading or loaded?
- Are the instructions potentially confusing?
- Is the question applicable to all respondents?
- Are the questions of an appropriate length?

Everybody was content with the questionnaire layout; however, the following comments were made:

- A lot of these are related to individual capability which cannot be taught like a skill. Maybe make a distinction and split them out (with regard to managerial skills).Presentation skills (Specific coaching, guidance and critique hereon)
- Evaluating courses that have not been attended is inappropriate and can create wrong impressions.
- What about legal? (presumably legal skills)
- What about the Risk. Surly that should be a core course especially after the recession? (possible introduction of new course)
- One comment was concerned about “Decision Science” as course description that is vague and ambiguous.

All of these comments were carefully considered and clarified where possible; comments were also incorporated within different chapters of the study.