



The Relevance of the MBA: Is It Losing Its Magic? The MBA'S Importance to the South African Development Trajectory

Anis Mahomed Karodia^{1*}, Dhiru Soni¹ and Joseph Edward David²

¹Regent Business School, Durban, South Africa.

²Durban and Academic at the Regent Business School, Durban, South Africa.

Authors' contributions

This work was carried out in collaboration between all authors. Author AMK designed the study, wrote the protocol and supervised the work. Author AMK managed the analysis of the study. Author AMK wrote the first draft of the manuscript and managed the literature searches and with authors DS and JED edited the manuscript. All authors read and approved the final manuscript.

Article Information

DOI:10.9734/BJESBS/2015/16401

Editor(s):

(1) Burcu Devrim İçtenbaş, Department of Industrial Engineering, Atılım University, Turkey.

Reviewers:

(1) Anonymous, Brancusi University, Romania.

(2) Anonymous, Federal University of Health Science, Brazil.

(3) Alexandre Ripamonti, Business Administration Department, University of Sao Paulo, Brazil.

Complete Peer review History: <http://www.sciencedomain.org/review-history.php?iid=1175&id=21&aid=9594>

Theoretical Article

Received 31st January 2015
Accepted 24th March 2015
Published 4th June 2015

ABSTRACT

The paper attempts to explore some salient issues concerning the Master of Business Administration Degree (MBA) with an emphasis on South Africa. It explores the relevance of the MBA degree to contemporary South Africa, after nearly 21 years of post – apartheid colonialism and, therefore, poses the question how will the MBA shape in 2015 and onwards as concerns South Africa and, is the MBA losing its magic. The paper argues against the latter proposition of the two questions posed, firstly from the viewpoint that the magic of the MBA may have been lost in the West given the sub – prime financial crisis that began in 2008, and continues even today, in a world that was rocked, shocked and devastated by unethical behaviour and, in the main this crisis was created in many ways, by MBA graduates in the United States of America and that too, graduates from the so – called ivy league business schools. In this sense the MBA has lost its magic

*Corresponding author: E-mail: akarodia@regent.ac.za;

particularly in the US and other European countries. On the other hand, when we analyze the situation in South Africa given the great apartheid divide, exacerbated by more than 300 years of colonialism, and the apartheid policies, we find that the human resources potential, financial know – how and management principles were denied to the majority black African citizenry in South Africa, which includes the African majority, and minority race groups classified as South African Indians and Coloureds. This is clearly seen by the reality that “more than 70 percent of management positions in South Africa are held by white South Africans and, the white corporations, institutions and businesses, who maintain this skewed distribution of the management skills base after nearly 21 years of democracy. This has impacted negatively upon the economy and the black population of the country in spite of attempts by the government to remedy the situation, but with very little success. In order to remedy and address this negative scenario the paper posits that the MBA degree is most relevant to the development of South Africa, in order to enhance the skills of blacks and to address the manifest problems that confront the country. The paper will explore some very important other issues that needs to be addressed also, that relate directly to access into higher institutions of learning. The paper therefore posits, given the crisis of access into higher education being experienced in the country, government must now engage the private higher education colleges and, form a compact with them, in the form of public – private partnerships, in order to deal with the vexing issue of access.

Keywords: Development; management; skills; apartheid; colonialism; economy; government.

1. RESEARCH METHODOLOGY

The paper does not use the traditional research methods used in classical research discourse. It confines itself to a critical analysis on the part of the authors and their observations over time and, to some sources gleaned through the literature and uses newspaper articles to enhance the discussion. On the other hand, the paper does not pretend to exhaust all of the important issues that the title of the paper has framed and, what this complex discourse entails. It acknowledges these deficiencies but, the authors seek solace in the fact that the paper contributes to an important subject area of the MBA discourse (The reader is referred to the Mediterranean Journal of Social Sciences (Rome, Italy) were the principal author produced an article in December 2014 as concerns the decolonization of the MBA degree). A comprehensive overview in respect to research methodology is therefore not necessary as salient issues are adequately clarified hereunder, with regards ethical considerations, the theoretical framework and the hypothesis put forward.

2. ETHICAL CONSIDERATIONS

Given the fact that the paper does not follow the classical research methodology, ethical considerations are of limited value. However, the emotive language is the reality of apartheid and colonialism and therefore, does not impinge upon any race group or those that might have a

different viewpoint. As such, those that have an opposing viewpoint must articulate their views in research, undertaken by them independently. The ethical considerations are therefore, not premised in wanting to clarify these in any great detail because it is self – explanatory. It does not impinge upon the research integrity of the discussion, on the basis that it captures the realities of education under apartheid, colonialism and also under the democratic government. As such the paper has been objective in terms of some of the historical analysis. As such therefore, there are no tangible or explicit ethical issues because, it seeks to expand discussion on important variables that have and do not allow for the transformation of higher education in South Africa, necessary for the development of the country and to deal with redress issues in higher education.

As much as the profit motive is important to the advantaged traditional universities in South Africa and the private business sector for purposes of the so – called sustainability of South African and international business, it should not be at the expense of intrinsic values of truth, morality and humility.

The paper therefore, must not be considered and nor is it the intention of the discussion to impinge upon any race group, any university or organization, but must be viewed as a vociferous cry for change, transformation and for purposes of dealing decisively with the chronic shortage of business skills, in terms of human resources for

purposes of human development, the development of the country and more importantly to drive economic development. Finally, unethical behaviour is exemplified in this paper because of the economic recession and explored the role of MBA graduates in the creation of the sub – prime crisis of 2008.

3. THEORETICAL FRAMEWORK

The theoretical framework will inform the epistemology and ontology of the new paradigm of business education, with particular reference to the MBA.

4. HYPOTHESIS

The major hypothesis of this paper is that the current and traditional MBA programme is too Eurocentric in its format and, requires a radical makeover in South Africa, for reasons enunciated in the discussion of the paper and, given the history of apartheid and colonialism.

5. FINDINGS

There are no explicit findings that emanate from the paper. The findings are therefore, distributed throughout the body of the paper. This may be considered a shortcoming of the paper. In actual fact, this does not affect the thrust of the central thesis and propositions of the paper because, it opens up important issues that are most relevant to South Africa as a developing country. Some of the findings that emanate from the desktop study are as follows:

- It is hoped that the findings of the paper will act as a catalyst specifically to inform the local and international debate on the need for a paradigm shift in the MBA programme.
- That the catalytic effects of this paradigm shift must inform the development agenda of South Africa, the addressing of the chronic shortage of human and financial skills needed in South Africa.
- Allow for the access to this field of study that was denied the majority of the South African Black population.
- The epistemological findings is underscored by the reality that Western epistemology has dominated education discourse over the last two to three centuries. However, this western epistemology makes up only less than 25

percent of the world epistemology. The epistemology of other cultures such as China, India, Arabia, Africa, Latin America and a host of other nations defined differently, contribute more than 75 percent to world epistemology that has not been given due recognition in educational discourse, and is, therefore, not factored into the equation generally by the West. This has to be done, in order to bring about change because most cultures have much to contribute to education and human development.

6. INTRODUCTION

In articulating the thrust of this paper, it is essential to delineate and understand some salient issues before the dynamics of the paper is nuanced. Post 1994 and after the ushering in of democracy in South Africa, it must be acknowledged that “the persistent question of access into South African higher education needs to traverse new virtual terrains because higher education in the country has been in a state of crisis in terms of access” [1]. According to Williams, 2011, Douglass, 2010; Mugimu, 2009, Thaver, 2008, and Genvois. 2008, in Karodia, 2013 [2] “public higher Education (HE) globally is in the throes of major fiscal crises.” In this regard Badat, [3] states that “South African Higher Education is no exception.” Although the budget for overall education in South Africa has progressively improved, the critical challenges of equity and access have been lagging. This is again exemplified by the reality that, after the release of the Matriculation Examination results in January of 2015, it is impossible for the Higher Education Universities to accommodate a large number of students wanting and desirous of entering the portals of higher education because, there are no places for them and, by the same token many cannot afford higher education because, they do not have the money to pay for the high tuition fees and accommodation. In spite of the government having poured over R9.5 billion for higher education bursaries in 2015, nearly 210 000 new matriculants will fall on the wayside because, universities in South Africa are not in a position to provide access to these students. If lack of access figures are calculated from previous years, matriculation results, it will be frightening to see the number of students not being able to access higher education in South Africa and, who year after year join the long queue of unemployed youth. This is a time bomb waiting to explode and has the potential of

bringing the country to a standstill by means of strikes, protests, civil disobedience and possibly uncontrollable anger and frustration on the part of the youth.

On the other hand, the Ministry of Higher Education is averse to supporting registered Private Higher Education institutions to partially fill this vacuum and gap. This is nothing short of overt shortsightedness and does not help the situation, which is very rapidly deteriorating to a point of no return. It has to be pointed out that, in the Southern African context, many African countries and their governments are supporting the private higher education institutions of South Africa and those foreign universities that are operating within the higher education space of these countries. This allows these governments to make minimal contributions in terms of money, in order to allow access that they cannot guarantee nor provide for their students yearning for higher education opportunities. It appears that, in the minds of the South African Ministry of Higher Education and, its inept bureaucracy that anything to do with the private sector must be treated with suspicion. There is no justification for this stance and does the country more harms than good and, lessens the higher educational opportunities of the predominantly Black majority of students. In an era when capitalism is facing so many challenges, emerging economies reeling and economies that have been decimated by the financial crisis, the government is unable to provide access, the shortage of funds to provide bursaries, chronic manpower shortages in the country and other issues that permeate higher education discourse; it appears that some politicians in South Africa want to engineer socialist policies for education and the education debate and discourse is largely dominated by this misguided ideological understanding of the realities that confronts the country.

All levels of education technically speaking given the corruption and the very poor GDP growth pitched at 1.4 percent exacerbates the situation and polarizes it even further. Technically speaking and in terms of the Freedom Charter all education in South Africa, must be considered a public good and therefore, a direct responsibility of government. As such, all education must therefore be provided for free. Given the mismanagement of the economy over the last 21 years and, a lack of a plan, free education becomes a utopian ideal in South Africa under the present government and, such an intervention strategy is a non – starter and a

utopian ideal. The fundamental problem in engineering free education in South Africa is a mismatch of interpreting socialist ideology for the masses, which is further compromised by the South African Communist Party in marginalizing the labour unions but, more importantly that it is firmly entrenched into the camp of a corrupt capitalist government and, has thus diluted the socialist agenda and now toes a right wing political agenda, thereby not serving the interests of the working class and the aspirations of the masses. The danger of this shortsightedness on the part of government could lead to higher education being reduced to the lowest common denominator in the years that lie ahead, thus reducing opportunity, access and stymieing much needed economic growth, which is required for purposes of reducing the very high unemployment rates in the country, and therefore, will not be in a position to deal decisively with poverty, inequality and the very serious and deepening crisis in higher education.

In order to respond to some of these exigencies, the South African Department of Higher Education and Training through the auspices of the Council for Higher Education (CHE) introduced various policies to look at alternative models for funding higher education. However, the private higher education institutions were left out and are over regulated in spite of their high quality performance when compared to some public higher education universities. “The World Bank on the other hand makes comparable observations about the dilemmas of public HE in emerging economies and suggests that the sector needs to reinvent itself [4]. And in this regard, it recommends that the “public sector does not only need to continue, its role as a provider of HE but, this must be done in partnership with HE institutions that have a very important and serious role to play in terms of access.” “The World Bank endorses the thesis that public and private sectors can join together to complement each other’s strengths in providing education services and helping developing countries to meet educational targets and goals” [5]. If free education is the aim of the government of South Africa because it is a public good, we posit that we cannot agree with the World Bank thesis, but are forced to support the thesis on the basis of the collapse of free thinking, the collapse of higher education, the extreme problem of access to higher education and, a government that is out of tune with the realities and its “dictatorial” behaviour, which stymies the hope of creating an acceptable

democracy. However, the government of South Africa and its inept HE bureaucracy has paid scant reference to the private HE education sector for reasons that make no sense, given their poor track records and, this rationale is difficult to fathom out. In this regard Karodia and Soni [2] opine that “as a result of this situation, a new nexus of relationships must now emerge because of the dramatic expansion of the system; the need to maintain an equitable access to higher education; and the issue of inadequate funding.” The inextricable relationship between these emerging issues, not only demands a new approach to the South African HE sector but a critical understanding of the importance and complexity with regards access, unemployment, increasing poverty and economic growth that, higher education can play in terms of the promotion of essential management and financial skills that are sorely lacking in South Africa, given its past history. It appears that the democratic government is maintaining the status quo and is endorsing the past apartheid model to higher education.

Against this backdrop of a major global financial crisis, the escalating budget requirements for HE and our own experiences in delivering distance education as private providers of HE, we are cognizant and fully appreciative of the Department of Higher Education’s (DHET) draft policy initiatives, particularly in terms of the major massification challenges facing the HE sector in a post-apartheid South Africa. We are especially aware of the potential of distance education to increase the capacity and cost effectiveness of Higher Education in South Africa, for purposes of reaching excluded target groups that cannot be absorbed into universities in the country. This is a vexing but important issue that requires a clear understanding not couched in unnecessary emotion by the government of the day. In this regard Karodia et al. [1] point out that “International experience and evidence confirms the notion that HE is widely believed to be decisive for any nation’s economic, political, and social development. The responsibility to provide Higher Education to all aspirant students is too large and complex for any government and therefore, it is crucial, vital and most important for the South African government to explore innovative ways of providing educational services that would widen the scope for access to higher education institutions. The time has come in South Africa to confront this inconvenient truth and to boldly traverse new virtual terrains”.

7. LITERATURE REVIEW

Joel Samoff [6] states that activists, researchers and communities in a new South Africa must collaborate to develop new education policies and therefore curriculum reform must be grounded in discussions.” This is necessary because several decades of education in South Africa were dominated by apartheid and therefore the need to transform society. He further states that “the challenges and tensions still permeate in a democratic society with many still wanting to maintain the apartheid status quo. Social transformation is therefore necessary.” Vally and Motala [7] draw attention to the reality that “leading white institutions have largely been sheltered from institutional rearrangements, while black institutions in a misguided manner been reorganized and merged and that higher education national funding strategy significantly entrenches the existing differentiation. They further add [8] that “it is the mystique of standards and that there is fear that change will compromise standards of the elite institutions.” One consequence is that the standards themselves receive little scrutiny. It is obvious that accountability within South African higher education has been compromised because white protagonists argue that education must be apolitical in South Africa. This cannot be allowed to manifest for obvious reasons because historically education in South Africa has been and is still highly politicized and that to rightfully so.

There is no doubt that South Africa has undergone considerable change in higher education. According to Gerda Bender and Jansen [9,10] changes were in the following areas: The size and shape of higher education; the meaning of autonomy and accountability, the nature of higher education providers, the distribution and demographics of students in higher education; the organization of university management and governance, the role of student politics and organization; the models of delivery in higher education, between free trade and the public good; the value of higher education programmes; and the nature of the academic workplace.” Changing higher education requires thinking about work in public terms. Thinking publicly and broadly about the mission and future of higher education requires a willingness to move beyond the status quo to the possibility of radical change and in this regard Holland [11] “defines community – university engagement as a mutually transforming relationship. Is South

Africa ready to commit in this direction, knowing that, it is not easy.” In this regard Edward Weber Ed. [12] outlines the following seven principles in this regard:

- Integrating community engagement in the vision, mission, and strategic plan;
- Forging partnerships as the overarching framework for community engagement;
- Renewing and redefining discovery and scholarship;
- Integrating community engagement in teaching and learning;
- Recruiting and supporting new champions (academic staff and researchers);
- Creating radical institutional change;
- Anchoring the changes in the corporate culture.”

Empirical research into organizational change conducted over the past 50 years often refers to the lack of success achieved by organizations in managing change [13-16]. Edward Weber and Jan Nieuwenhuis [12] “in terms of organizational change in South African higher education identify the following organizational issues in the South African context: Process change; system change; structural change; and organizational change.

It is not possible to elaborate further in the form of a comprehensive literature review concerning the issues raised in this paper, save to say that in order to achieve substantive change, we need to focus on developing that which lies within people and, this can only be achieved, once we begin to address the personal dimensions of change. It is only then that, the higher education sector will change in South Africa. This can only be achieved by means of shared values, assumptions, and beliefs that can change the organization of MBA degrees in both the public and private sectors of South Africa. The idea is to create institutions into learning organizations that project on South Africa’s history, the necessity of reengineering a new epistemology by incorporating African nuances in the reconstruction of the MBA curriculum, allowing greater access to those that were previously marginalized and not allowed to follow degree programmes that were exclusively reserved, for the White population of South Africa. This is the essence of our discussion in this paper. All of this must be grounded on the basis of the transformation debate within higher education, in order to create a process of continuous monitoring, professional development, dialogue

and collaboration, and basic human rights in higher education, given that many from the advantaged backgrounds still want to maintain the apartheid status quo, and therefore, new strategies and new modalities of engagement, must now become fully entrenched in the transformation agenda of higher education policies in South Africa.

8. PRIVATE PROVIDERS CAN WIDEN ACCESS TO HIGHER EDUCATION IN SOUTH AFRICA

Shaikh, Karodia, David and Soni [17] point out that “An academic revolution has taken place in higher education in the past half century marked by transformations unprecedented in scope and diversity. The academic changes of the past few decades are extensive due to their nature and the number of people they affect. In many emerging economies the demand can be 20 to 50 percent higher than places worldwide. The demand of places in higher education will have expanded from 97 million students in 2000 to over 262 million students by 2015.” [17] In respect to this changing phenomenon globally, South African higher education is no exception.

8.1 The Question of ‘Access’ in Higher Education

Since 1994, at the dawn of South African democracy from apartheid colonialism, the question of access to higher education in South Africa has become ensconced in the lives of thousands of university hopefuls. Year in and year out we hear of the multitude of matriculants who are denied access to South African universities. The problem seems to worsen annually, especially in terms of the number of youth who are denied access to university education. This is a tragedy of our times. The Mail and Guardian (2015, in Shaikh, Karodia, David and Soni) [17] reveals startling statistics “about applications for places at four higher education institutions in the province of Kwa Zulu Natal. The Universities are bursting at their seams and school leavers have only one – eight chance of studying and, in other parts of the country the demand for places is even higher.” The article exemplifies the realities that confront South African universities. Government has urged students to join Technical and Vocational Education Training Colleges, which students and their parents consider to be inferior in stature and quality, especially when compared with universities. This truism is shown by the fact that

those who have acquired a university related qualification increase the likelihood of finding employment by 100 percent. The country now finds itself in the predicament of some 210 000 students who would not be accommodated in 2015. "The Vice Chancellors from the University of Witwatersrand and Pretoria University are of the opinion that the imbalance between demand and supply is the single greatest failure in higher education since 1994" (In Jordan, 2015: 37) [18].

Shaikh, Karodia, David and Soni [17] state that "In contrast to the South African situation the Guardian of Britain carries an article titled "Private colleges widen access to education." They say that the article notes some profound effects on the question of access and asserts that educating students at university level is not exclusively the public sector's role; private provision can make an equally positive contribution. They further quote from the National Audit Office Report of 02/12/ 2014 and argue that "when private colleges give mature students from disadvantaged backgrounds the opportunity to return to education, a completion rate of over 80 percent is surely a positive outcome. This stands in comparison with other publicly funded London institutions where the non – continuation rate in similar courses can be up to 24. 5 percent." In another article titled "Higher Education: Learn from Brazil and let the private sector play its part (17/10/ 2012), "the demand for university places will outstrip supply and that South Africa can learn from other emerging economies which have expanded access to higher education by creating public – private partnerships. In this regard the Brazilian government improved its regulatory environment, the private sector in higher education made a major impact by increasing access. They are innovative in developing new educational products, especially in terms of teaching and learning and have established large education chains that exploit economies of scale, and as such there is no cause to fear but only to gain from making the tertiary education environment accessible to private providers" [17].

All of this including many other examples not cited indicates that the dilemmas of higher education are not unique to South Africa. In other words governments throughout the world are increasingly admitting that they simply cannot provide higher education on their own, and in this regard, they are progressively looking towards the private sector to help solve or alleviate the problem. Thus there have to be innovative solutions to solve and intervene in order to

address the problematique and in this respect public – private partnerships in higher education becomes crucial for South African higher education. In examining the latest trends reflecting the issue of access to higher education, it becomes evident that the private sector is gravitating towards being an indispensable partner in the provision of education globally.

We would like to recommend that "the department of higher education and training in South Africa invokes the principal of a Social Contract within the constructs of a developmental state. The success of this social compact will depend on the active involvement of all stakeholders, a strong emphasis on building a broad front and partnership between the government, the private sector and civil society. We are of the sincere conviction that accredited private higher education institutions whose mission is central to the question of access, who have the knowhow and appropriate infrastructure and, who are committed to nation building are contracted to assist. Collectively the crisis of access to higher education can be resolved to some measure. Although we have not elaborated fully in this paper all of the variables that encompass this model, it is hoped that our thesis will engender debate about the question of access to higher education through public /private partnerships in higher education and the role that they could play in successfully addressing the issues of access, equity and finance. We are more than confident that given an opportunity, public – private partnerships will more than hold their own and could in time become vanguards in determining the outcomes of similar chronic exigencies in emerging economies of the world. This fertile idea's time has come for serious consideration and implementation, in South Africa.

9. POSTGRADUATES NEED A BETTER DEAL

In Great Britain policymakers have finally woken up to the plight of British postgraduates, with decisions on funding and fees. It is therefore imperative that South African politicians should wake up from their deep slumber and afford opportunities of funding postgraduate students and, in Great Britain, it has been found that about "six in ten taught postgraduates receive no support for their studies other than from family or commercial loans" (Swain, 2012: 12). The Great Britain experience cannot be equated with the

South African education challenges, problems and situation, given its apartheid past and the devastation that the apartheid education ideology caused. "It would be useful to undertake research of this nature in South Africa and, depending on the results of the research, put the government and the Ministry of Education under pressure to deal with this issue, if the findings are significant. This warrants immediate and serious attention by South African universities and traditional advantaged Business Schools in both the public and private higher education sectors. The following will be the consequences" according to Karodia and Soni [2].

- "The dire warning that universities would go for bust.
- Drastic impact on both undergraduate and postgraduate studies and training.
- The contribution to the knowledge economy will be drastically affected.
- The strategic and structural thinking of what do we do with postgraduates have not been carefully unpacked in South Africa.
- No one in government and universities has determined the value of postgraduate education to the economy and the competition within emerging economies that it presents.
- Access and funding must be determined and widened for undergraduate studies.
- Post graduate fees are too high but lower at private higher education institutions providing management and MBA degrees via distance education with minimum contact sessions.
- The current situation has seen part time postgraduate studies rise because postgraduate students have to work in order to pay tuition fees.
- Those capable of postgraduate studies will choose to go straight into job markets.
- The government must seriously look at allowing some of the private higher education colleges to provide PhD studies in selected business fields after the completion of an MBA degree. There is a shortage of PhD graduates in the country and the private higher education institutions can play a formidable role in producing PhD's in business fields, which is in short supply. Government must become a facilitator in this regard and

remove unnecessary bottlenecks that hamper private higher education institutions from making a significant contribution to the country.

- A new loan system for postgraduate studies must be determined and government must send students to private higher institutions and Business Schools where the fees are much lower and the student does not have to pay accommodation fees and will not require a monthly stipend for living expenses.
- A host of other issues."

The issues raised above are crucial also to the South African higher education landscape. It requires urgent action by the authorities concerned. Swain (2012: 12) points out that "Countries with the highest levels of educational qualifications tend to be the most successful, and therefore, vital to increase the number of students studying at postgraduate level, in the case of developing countries and that this level of education with regards management and financial studies is opened up to more disadvantaged students and groups." Both undergraduates and Postgraduates in management and finance will be a key to South Africa.

10. THE SEARCH FOR MEANING

Having introduced the subject matter it is important to understand according to Cooper and Morrell (2014: 1) that "It has to be acknowledged in South Africa that the stubborn and continuing dominance of theory, methodology and research practice originating from Europe and North America. It is bad because, it perpetuates the legacies of colonialism and of racism; it buttresses privilege and presents obstacles to education for emancipation and local relevance." This is the reality in post – apartheid South Africa after 1994 and thus, the status quo and the "worship" of Eurocentric knowledge and education has been at the forefront of higher education and, the Ministry of Education does not have a deliberate policy to intervene and break the back of the influences of this Eurocentric approach to education. Categories and conceptual systems within higher education in South Africa are dominated by and dependent upon a Western epistemological order. It is therefore necessary that, proper and coordinated transformation initiatives within South African

higher education be engineered in terms of the transformation of postgraduate knowledge and the different types of knowledge. This is applicable to all knowledge and therefore, directly related to the MBA degree in South Africa which has been historically dominated by white settlers, who excluded the majority population from pursuing studies in this direction, which has impacted negatively on the management and financial skills base of the country and, has created a so – called “inferiority complex and dependency syndrome” in the minds of South Africans of colour and, this has affected the development of the majority of the people and, excluded them from important job opportunities in business and the corporate environments and likewise, has affected development and the growth of the economy [19]. All of this requires a change and a new vision by the government of South Africa because “all of this makes knowledge an effect of history, location (geographical or racial) and origin, and results in static and essentialising versions of reality, which must be termed Afrocentric” [20].

Given the above, therefore, postgraduate studies at any level including the MBA degree in terms of different paradigms must be factored into both history and politics; it will also be necessary to recognize the differences in power between Europe and Africa, both from the past and the present. Africa and Europe do not play on the same level field. It must be acknowledged that there has to be created, in higher education, an Africa – centered space for new forms of policy and practice. The South African Higher Education Ministry has not understood that “knowledge is not made in an egalitarian way; not all voices make the same (or equal) contributions or have the same authority. Some voices are louder, some marginalized and others made inaudible (By government Ministers, who exemplify these facets – note emphasis added). The balance of authorial voices in knowledge – production processes depends, in part, on their respective epistemological powers, which in turn reflects histories inequalities” [20]. These realities although known have not been factored into the higher education debate and discourse by education authorities in South Africa post 1994 and therefore, the status quo has been wrongfully maintained, thus causing serious fractures within both the basic and higher education systems within South Africa.

11. IS THE MBA LOSING ITS MAGIC TODAY AND IS THE MBA DEGREE THE CORRECT INVESTMENT?

Given the above discussion and the arguments thus far and, in order to situate the subject matter and some facets of higher education discourse that needs urgent transformation after nearly 21 years of democracy, it is necessary to pose the above question. The issue boils down to posing another question according to Terence Tse and Mark Esposito [21] – “What is the staying power of the MBA and why year after year countless students sign up for an MBA degree? Their answer to this is that maybe new skills, eager to learn the latest academic research output, rather unlikely or keen to go through a learning experience, the answer is possibly, but the principal motive is to boost their career prospects.” Terence Tse and Mark Esposito [21] state that “It must be acknowledged that the notion that the harder you work, the higher you will climb the corporate ladder and therefore, the social ladder is rooted in our DNA and the higher one is on the corporate echelons, the more successful one is. For many, an MBA degree promises to deliver this; for anyone wishing to progress in their career, just get an MBA and its magic will do the rest. Except that this magic stopped working a long time ago.”

However, it must be remembered that the financial crisis in 2008 caused many businesses in Europe and North America and other parts of the world, including the developing world which was affected by this unethical crisis, to cut hiring and unemployment rose and, people became poorer and economies went into depression. European governments and particularly the United States began to use socialist intervention strategies to deal with a very serious capitalist problem, in order to bail out the banks by giving them free taxpayers money. All their lives the European and North American governments discounted the Marxist and socialist theories but, at a time of their corporations unethical behaviour socialist strategies were engineered to safeguard and bail out their failed capitalist institutions. This is the double standards of the West. It points to the failure of the capitalist system and to greed, while the poor were annihilated and decimated almost to a point of no return. Students had taken out large loans in Europe and North America to finance their MBA studies and given the 2008 financial crisis, there were no more jobs and they were unable to payback their massive debts. The macro

conditions for the poor and indeed MBA students had changed drastically. The issue is what happens if the job market can no longer absorb the highly educated talent that business school produce every year in the developed world? Is it therefore, the correct investment today in globalized economies of the world and can it guarantee success? The career prospects of MBA graduates are changing in the so – called first world given the economic meltdown and the financial crisis of 2008 has exacerbated the demand and, the reliance on the graduate holding the MBA degree. Many professionals and CEO's of large companies emphasize that unless one graduates from one of the top five MBA programmes in the US, it is not worth doing an MBA and, in this regard Terence Tse and Mark Esposito [21] state that "based on interviews with more than 100 global chief executives, found that given the choice they would rather not hire MBA graduates and at the same time Western Business Schools have seemingly lost sight of their *raison d'être*: to educate. Teaching takes place in silos with minimum experience of staff. They further add that the curricula, thanks partially for the standardized accreditation criteria, have hardly changed to reflect the current developments of the economic and business landscapes. The result is that much of what is taught is outdated and obsolete in significant ways."

The above input and criticisms given the financial crisis of 2008, are applicable to the United States in the main and the West and, do not apply to South Africa in respect of the MBA degree. The criticism applies to the West and by no account is there an undermining of the importance of education. The following reasons are put forward for this argument:

- Given the historic apartheid and colonial divide in South Africa the education of the majority population was seriously compromised.
- This created a very serious shortage of skills in respect of management, finance, decision making and the subject areas covered in the MBA curricula for black South Africans.
- The above has compromised very seriously the development momentum and the much needed economic growth.
- Thus there has been a reliance on White expertise since freedom in 1994 and this status quo has to be broken.
- The traditional White former apartheid universities have endorsed the idea that, Blacks do not have the ability to study complex issues within the MBA programme. This perception has to change because it is premised falsely and based on racism to the extreme.
- The log jam in respect to access to universities has to be broken.
- Private higher education institutions must be supported by the government.
- The ideological basis of the development momentum for purposes of securing the developmental state must be pursued and, the MBA degree can therefore contribute to the development momentum, and therefore contribute to an understanding of complex and important issues that can assist South Africa to break away from White reliance and break the dominance of Eurocentric thinking in business and, all walks of life in South Africa.
- It will allow for Black CEO's to be appointed at corporate level and improve the ability of the public service to deal with management, decision – making and financial issues that have compromised black management, who do not possess the requisite and other skills necessary to engage both management and business protocols and demands.
- If this is achieved, South African Blacks with the necessary support from government can begin to roll back the frontiers of exclusion and begin to institute, a plan of forming their own large corporate institutions.
- In South Africa, after 21 years of democracy and freedom more than 70 percent of management posts in the private sector are filled by White managers. This is an indictment to government and this demographic has to change by deliberate intervention by government, in order to support more black people to obtain an MBA degree or other management qualifications, for obvious reasons and more importantly to deal with the management and financial crisis in the country.
- Under the above circumstances it is an exercise of futility to compare why one should do an MBA or not with European circumstances as opposed to the manifest problems that exist in South Africa as concerns management and financial

- expertise, post freedom and democracy in 1994.
- A host of other important issues and variables that make our arguments compelling in the South African context, to enhance, support and make the MBA degree a priority, rather than getting engrossed in debate that emanates from the West.
 - Government understanding and support is therefore important and essential in this regard.
 - The management degree and particularly the postgraduate MBA degree is the right type of investment for today's South African students who have been ravaged by Bantu education through apartheid ideology.
 - The imbalances of the past must be remedied and therefore universities and government must follow a trajectory that, will allow them to exploit the importance of the MBA degree to South Africa's development momentum.
 - Understanding globalization and flexibility within business.
- On the other hand some of these private higher education Business Schools, produce quality research and out do many of the traditional Business Schools in terms of both quality and quantity of research articles produced in an array of accredited international research journals.
 - These private higher education institutions are not subsidized by the government or the large corporates and businesses in South Africa. Large grants are accrued from the government and via corporates and then disbursed to the predominantly former White universities.
 - These traditional White universities do not allow access to Black students in large numbers and are overpriced in terms of tuition fees and, therefore, do not allow free and unfettered access and admission to the MBA degree for students of colour. The MBA degree at these former traditional White institutions only take in about 40 to 50 students a year and very few Blacks pursue the degree because of the high fees, other costs and can ill – afford to study full time. The private distance Business Schools are therefore more feasible for students to pursue their studies because the tuition fees are much lower, they receive the same educational inputs and above all there is much more flexibility within the MBA programmes offered by Private Higher Education Business Schools.
 - The admission requirements are unnecessarily high at the traditional universities and, this denies access to a number of Black students.
 - These and other variables have impacted negatively on the Black skills base in terms of management, operations management, human resources management, marketing management, managerial finance and a host of other core management areas of study including research capability and so on.
 - There is thus a chronic shortage of Black entrepreneurs including a drastic and almost very acute shortage of managerial experienced Black people in the South African private and public sectors of the country. This has exacerbated a professional approach to much needed managerial skills and therefore, an almost complete domination by Whites in this

Leading from the above discussion Barbra Barkhausen [2] asks the question – How will the MBA shape up in 2015? It is pertinent to therefore, very briefly to address this crucial issue in terms of the relevance of the MBA to the development of South Africa given its historic divide in education caused by apartheid, colonialism, neoliberal policies and the negative role played by Black elites. Firstly, its relevance to South Africa cannot be underestimated because observation and empirical evidence reveals that:

- “Black students in general were excluded from this field of study by the traditional apartheid White universities historically and, who still maintain this status quo.
- That the White controlled media continuously support these traditional apartheid traditional institutions and regularly condemn the private distance education institutions offering the MBA degree. There is no evidence of inferior quality of education offered by these private institutions because they are accredited by the regulatory authorities as statutory institutions and are therefore fully recognized and compete on an equal footing with these traditional universities.

field. Over 70 percent management positions are filled by White males.

- There has been a marginalization of Black females to enter the management echolons of both the private and public sector.
- Many other variables that need to be looked at urgently.
- All of this can be placed at the feet of the democratic government, to the traditional former White universities, large corporates and businesses that contribute very largely in maintaining the status quo. The Association of South African Business Schools is dominated by a Eurocentric bias and with government has done very little to bring about transformation as concerns the MBA in general" [2].

South Africa can ill afford the maintenance of this status quo which has created devastating effects upon Black emergence, in order to fill the vacuum and management gaps that are affecting the country. This is an indictment to nearly 21 years of democracy. It is obvious from the above narrative that much needs to be done to alter the trajectory and delivery of the MBA in South Africa, for purposes of allowing greater access to Blacks, in order to deal decisively with this mammoth problem, in order to deal with economic growth through finance and entrepreneurship in particular, in order to usher in growth, stimulate the economy, deal with development and the triple scourge of unemployment, poverty and escalating inequality. This will only then allow the objectives of a developmental state as defined by government through its National Development Plan (NDP) to become a reality. The MBA has in large measure lost its magic and relevance in the United States and the Western world post the 2008 financial crisis and is reeling to gain ground and win back the confidence of prospective students, employers and business, including the corporates in the Western world.

Barbra Barkhausen [2] states that "globalization has taught us to be more flexible irrespective that we emanate from a diverse range of cultural backgrounds." South Africa in this respect has lagged behind and therefore Blacks are left out from the knowledge economy and, cannot participate in business conferences like their White counterparts due to a lack of opportunity and access." Flexibility must therefore, be

demanding and it is government that holds the levers of power to bring about meaningful change in the empowerment of Blacks. South Africa, its traditional White former apartheid universities must take a quantum leap, not to deny access but, promote in large numbers Black, Indian, Coloureds and women into management. Flexibility for shaping the way the MBA allows access and empowerment and, as to how it is taught must be fully understood. On the other hand we are seeing globally more and more business schools turning their backs on the two year full – time MBA that forces students to leave their work place and take on an increasingly expensive education whilst not having any income. The MBA is therefore most relevant to South Africa for obvious reasons and since the global financial crisis. This was largely caused by Western Educated MBA graduates in the US and other European countries, Barbra Barkhausen [2] states that "many must now rethink the model given the financial crisis that began in 2008 and which persists unabated even today." The anger of all of this was aired on Aljazeera [22] with the "new Prime Minister and his far left party in Greece, indicating that Angela Merkel's policy supported by the Western countries in terms of austerity measures and debt write offs are non – negotiable. This will soon reign rampant in Spain, Portugal, Ireland and other countries that were badly bruised and injured by the 2008 financial crisis." This could have devastating effects upon European unity within the European Union (EU).

South Africa in its recirculation of the MBA degree which comes into play in 2016 has chosen a model of 18 months minimum to complete the course work and 6 months more to complete the dissertation. In reality there is no fundamental shift, but the problem lies in the fact that a student would now have to show that he / she has obtained a postgraduate diploma in commerce as a full time student over a period of one year and cannot enter the MBA programme with an initial first degree of three years duration, which allowed access. A student will now be allowed to enter the MBA programme with a one year Honours Degree after completion of an initial first degree in an applicable field of study. These new entry requirements will now make it more difficult for students to enter an MBA programme and will put paid to the equation of access and therefore, deny many students particularly Blacks admission into the MBA programme. The new entry requirements in

many ways are a dampener to Black empowerment and will now continue to maintain the status quo and therefore, play into the hands of those that have historically maintained this status quo and most probably will not deal decisively with the transformation agenda of the state. It has not been a well thought out strategy and there has been no real input by government, the Ministry of Higher Education and the Council on Higher Education, to fully understand and comprehend the importance of the MBA degree to the empowerment process, to transformation and, in many ways affects access but, more importantly contributes significantly to maintaining the historic status quo engineered by the historically advantaged traditional White apartheid universities that offer the MBA programme. There has to therefore be a rethink with regards the MBA programme in South Africa.

Virginia Techs Pamplin School of Business (In Barbra Barkhausen, 2015) [2] points out that “it is one example of a business school that has reacted to the trend of transferring from a full – time MBA degree to offer only part – time MBA programmes after receiving less and less applications for full time studies and part time offerings are flourishing.” This is the point and yet, in South Africa, this aspect is given scant reference by the authorities and yet with very small number of students pursuing full – time MBA programmes in South Africa, at the traditional former White Universities and also the historically Black Universities, which are funded with large amounts of money from the state, serious consideration must be given to private higher education institutions that cater for this model. There has to be flexibility and greater understanding in South Africa by those concerned. This might not appeal to the so – called top – tier schools in South Africa, ranked by themselves and their supporters but, for so – called lesser known and smaller business schools including the privates need to attract top talent by offering flexible programmes and this seems the way to go in the 21st century and, a need to break from misguided tradition, in order to serve the management and developmental imperatives for a country crying out for such talent. Government has to intervene in respect of the misguided concept of rankings of Business Schools in South Africa. These rankings are undertaken by a press that is well predisposed to the traditional former White Universities and

negatively predisposed to the Private Business Schools and the disadvantaged Black universities. This negativity is not couched on empirical evidence and the value of the MBA to the country and, its value to promote equity and to contribute to business and social development that, is much required in South Africa. The system of ranking of Business Schools favours one side of a skewed analysis and a warped equation, and interpretation, and therefore, allows the White dominated press to make wrong assumptions by singing the praises of its chosen constituency, the traditional former White apartheid Business Schools that are located at the former advantaged White Universities. Ranking of Business Schools does not follow defined parameters and variables and the Private Business Schools are not visited by those that conduct the surveys on rankings, nor are they engaged and interviews are not conducted with them. This biasness is reflected in their reports. Many Private Business Schools on the basis of this skewed interpretation and unnecessary criticism without empirical evidence, and the fact that, they have a good story to tell and can prove their high standards, the richness of their research and the much needed contribution to business and social development and so on, find it an exercise in futility to participate in these ranking exercises that add no leverage to educational and Business development in South Africa and, such rankings therefore, sows unnecessary negativity in the minds of prospective students who want to pursue an MBA degree at both Black universities and private Business Schools. The long and short of this biasness revolves around the reality that the prophets of doom, feel that, it is their right to offer the MBA degree and that Black Private Business Schools and in many instances predominantly Black universities, do not have the capability to teach at this level and for all intents and purposes must be wiped out of the equation, and not allowed to challenge the status quo, which must be maintained at all costs, as though, it is their prerogative and God given right to engage the modalities of business in South Africa. They fail to understand that China, India and other non – white nations are some of the leading economies of the world and leaders in most fields of business engagement. They fail to realize that South Africa has changed drastically and so has most of the world and that, they also to need to change or in the long run perish into oblivion.

12. ISSUES RELEVANT TO SOUTH AFRICAN HIGHER EDUCATION AND THEIR IMPORTANCE TO THE MBA

12.1 Understanding the Changing World of Work

The IPM annual convention according to the Institute of People Management (IPM) Chief Executive Elijah Litheko [23] states that “Human Resources (HR) gives HR professional’s unrivaled opportunities to learn, share insights, connect and network with likeminded peers and leaders in the industry.” It allows those pursuing MBA studies and qualifications in management, to explore how the world has changed and how leading organizations have responded strategically to these changes. South Africa needs to encourage participation in such conventions by both the private and public sector. It becomes imperative and therefore, essential to have higher levels of sophistication in South Africa for assessing the changes that continually affect organizations and, as to what are the value creators for businesses. This participation is so essential for MBA students, their lecturers and their organizations, in terms of understanding the new dynamics within HR, in order to contribute to management principles and the application of these principles to their studies, but more importantly to the country as a whole, which is sorely lacking in a country pregnant with opportunities to make a difference. By implication, all of this must contribute to people management and development and must enhance leadership skills. Human capital development, which cannot be underestimated and government and MBA institutions must encompass these important variables when teaching students at any level of management. It must become an exciting journey and, must in the short, medium and long term contribute significantly to the Human Resources capabilities of South Africa, were so many were denied these essential skills in the past.

12.2 UNDERSTANDING BUSINESS CHALLENGES

Raj Seerparsad [24] states that “recently he came across an article written by Jeff Haden in which five super challenges to leadership were explored. Employers must ensure that HR practitioners must help employees understand the issues.” There are no simple formulas and these are enumerated as follows:

- You know of issues that you cannot share with employees such as retrenchment plans or matters of confidence that have been discussed in executive meetings. The MBA and management courses must ingrain ethical behaviour and yet one needs to be open, transparent and trustworthy with people who look to you to represent their best interests. All of this must be engaged within the syllabuses of MBA programmes and other management courses.
- Balancing standards against financial considerations that is Rands versus ethics and involves fairness. It’s different to individual fairness as opposed to group fairness and, this becomes very difficult to teach and to grasp. Policies have to be enforced. This has been given scant reference in South Africa and therefore, the system often collapses because management in South Africa is too relationship oriented and, this must be avoided at all costs. It is essential that this aspect is considered seriously by practitioners, lecturers and organizations.
- It has to be taught as to where one goes to and the approach made to seek the truth especially when there are different versions of the truth.
- Employees are most often more adept than HR practitioners and this must be taken into consideration. A classical example is the reality that Stanford University received 800 000 applicants for an online cause in aerodynamics although they were expecting 75 000. Most of the applicants were not engineers and the person that scored the highest marks was a housewife. Many like her not so long ago would not have had such opportunities and this is the reality in South Africa because of our history of exclusion. Government and universities have a crucial role to play in this regard by allowing access at affordable prices. It is obvious that there are many more challenges that can be identified and management courses and the MBA allows for critical thinking and a natural spin off is a better trained and skilled staff within the work environment and the world of work. South Africa requires such intervention urgently.
- The MBA degree and other important management degrees, diplomas, and certificates are important to a transforming South Africa, in the sense that not much

has been achieved in 21 years of higher education within the framework of essential management skills in the direction of finance and management, but more importantly we have not developed a better understanding of the value of human capital and therefore, we need to develop this aspect to improve talent and productivity and, thus addressing the urgent social changes that characterize our times globally but, more importantly in South Africa.

- South Africa can ill afford being impressed by so – called legacy because according to Seeparsad (2014) “if this is true then companies in South Africa are wasting their time telling consumers about the longevity of their companies or their products. In today’s world, the fact that a company has been in business for 50 years or more may be of no value because, it has not kept pace with the business demands locally and internationally. This does not allow it to compete with foreign companies that have made inroads into South Africa. In other words local and foreign companies operating in the country must make large investments into the promotion of human capital, human resources, business techniques, research and development and to this end empower employees through part – time studies by pursuing undergraduate, postgraduate, offerings afforded by Business Schools. The time has come for government to engage their traditional universities and private institutions to play a more important role in the education of the country from the perspective of promoting management and administrative skills or be left behind. The agenda for proper higher education transformation has to be revisited by government. In this regard government needs to set targets and goals that are defined; to support private higher education institutions and the traditional universities and to this end hold them accountable to the transformation agenda and in terms of the needs of the country.
- What does all of this mean to young employees who are looking at opportunities that the country can offer and which is long overdue. Advancement must therefore come with the necessary education, experience and capability which must be promoted by companies and

monitored very seriously by government and it’s Ministry of Higher Education. Most societies have moved towards individualism because of technological progress.

- Team building must be engaged through appropriate management skills and management skills because the group dynamic is declining and, this hinders the success of the company and injures the country. A methodology has to be developed for the interests of the development of the country by creating a sense of belonging which must serve as inspiration to others, for purposes of dealing with the challenges that confront the country, in times of transformation.
- Higher education must create an opportunity for exposure, knowledge and insights from experts to peers. It must not be the accumulation of facts but must be geared to an understanding of social, political, economic and cultural facets that affects business and aimed towards a patriotism that is lacking in the country and often clouded by racial undertones and nuances in a country in a state of transformation. In a society undergoing change the spirit of collectivism must be created through management perspectives that are sorely lacking in these interesting and important times. The MBA therefore offers an opportunity of understanding much needed values in order to learn and share.
- The MBA must therefore be in a position to also create jobs, retaining them by improving the necessary skills and promoting talent because poor productivity in South Africa is a major challenge for management and require new techniques to change the world of work and its environment.

13. HUMAN CAPITAL FOR THE FUTURE SUCCESS OF SOUTH AFRICA

Human capital must lead the future of South Africa and, must create value for society, in order to deal with complex situations and relationships and, to this end the MBA is a valuable higher education qualification for South Africa for obvious reasons. The acquisition of an MBA degree “exposes one to stakeholder relations, change management, skills development and transformation bringing about the much needed

solutions of a society that is in a state of flux and, hard pressed by its past history of higher education marginalization by apartheid policies of the past” (IPM Convention, 2014; 3). The MBA degree in an era of competitiveness globally and locally and within a regional context which sees increasingly the process of commoditization coming to the fore, and which in many ways has removed price and product as factors in the business differentiation equation; there is no doubt that a significant portion of business success is due to the behaviour of each employee. In this regard exposure to an MBA degree will expose students and managers to these subtle nuances and such variables, in order to deal decisively with these variables that are not clearly understood or appreciated, owing to a lack of business skills in South Africa. The student exposed to the MBA teachings of an MBA programme will be in a position to deal and execute strategy, interact with others and engage customers more meaningfully. These are all important to the country and organizations in general. Aristotle (In IPM, 2014) said that “Excellence is never an accident. It is always the result of high intention, sincere effort and intelligent execution; it represents the wise choice of many alternatives – choice not chance.” There is thus no doubt that the MBA degree must be supported by the Ministry of Higher Education and it must allow large numbers of South African students to enter such a programme in order to deal with management deficits that confront the country. Therefore, Pieter Haen [25] indicates that “Human Resources has a critical role to play in business, because business leaders struggle with the complexities of a two speed world: They face an economic crisis in Europe and weak growth in developed countries, while also facing rapid growth in many countries of the developing world.” Unfortunately this rapid growth has continually eluded South Africa because of a lack of skills, allocating management positions to those that are untrained and ill – educated. A chronic shortage of requisite management skills and therefore in South Africa, volatility and uncertainty has become a new constant. All of this creates the most difficult management challenges. Aggravating these challenges according to Pieter Haen [25] “is the growing talent shortage and rising leadership deficits, which are fuelled in part by profound demographic changes and are expected to deteriorate significantly in the coming years.” This is a dangerous scenario and dynamic for South Africa and if government does not invest

heavily in the MBA and other management qualifications, South Africa will not be in a position to compete locally, internationally and regionally and, growth will be stymied to a point of almost no return. This will exacerbate dealing with unemployment, poverty and extreme inequality and, will definitely result in greater civil unrest and possibly a collapse of the economy. In this regard Pieter Haen [25] states that the following issues are crucial:

- “Managing talent; improving leadership development; strategic workforce planning.” (corrected – this is correct no problem)
- African economies are on the move and Africa is rising but, this narrative has eluded South Africa. South Africa is diminishing because of a lack of government vision, the lack of investment into MBA programmes and other management degrees, lack of foresight by the bureaucracy; higher education is too politically polarized, extreme and overt corruption, political patronage, and a lack of crucial skills to intervene in terms of the poor productivity levels and so on.
- “Economic growth is a prerequisite for economic success.” (this is correct)

14. SKILLS NEEDS MUST BE IDENTIFIED

South Africa at the moment and nearly 21 years after democracy, the country does not really know what these skills are. This is an indictment to government, higher education and the transformation agenda. On the other hand Ngcwangu and Balwanz [26] indicate that “The state’s ‘scarcity list’ is misleading, its analysis faulty and its data selective and in parts wrong, and this is exemplified by the release of the National Scarce Skills list: Top 100 Occupations in Demand, released by the Ministry of Higher Education. This document emerged from the call in January’s White Paper for Post School Education and Training in order to have a more centralized system for the identification of skills needs in the economy and society.” The document argues identifying current and future skills demand as accurately as possible, is extremely important, if the goals of the National Development Plan (NDP), the New Growth Path and the Industrial Policy Action Plan are to be achieved. Skills are important from a viewpoint of economic revival, political intervention, human development, community development and to propel business in directions that can deal with

the triple scourge of unemployment, inequality and poverty which have all become a feature of South Africa's political landscape for a protracted period of time. There do not seem to be solutions with regards these impasses. It is obvious and necessary that the Ministry of Higher Education plays a pivotal role to deal with these issues very urgently.

The conceptualization of skills in the National Skills list according to Ngcwangu and Balwanz [26] "is too narrow, insufficiently inclusive and based on problematic theoretical assumptions; its methods are biased; and its analysis offers a selective and, in some cases, factually untrue presentation of data." It is misleading and narrow because the education department's scarce skills publication begins with a bait and switch: skill, a general concept, is defined in terms of the requirements of formal occupations. A simple definition of skill is the ability to do something well; expertise. A skill can be any ability. The conceptualization of skills is further narrowed by pairing it with two other terms: scarcity and demand. It is mind – boggling that the education department indicates that a skill is scarce when an occupation is in demand. According to the publication, scarce skills refer to those occupations in which there is a scarcity of qualified and experienced people. It should respond to occupational demand and that skills according to the document which are not included in the Organizing Framework of Occupations are unimportant. Therefore, in this regard Ngcwangu and Balwanz [26] state that "If the intention of the education department is to project skills demand in a dynamic labour market, then by equating skills with formal occupations, the education department in its publication, unfortunately does students and aspirant workers a great disservice. It is a folly to associate by equating skills with occupations as was shown by Carnavale, Strohl and Smith in 2009 in the United States [26].

In the modern economy, occupations and skills required for occupational competency evolve, become extinct and emerge sui generis. It is obvious that many institutions of higher education will find the department's equating of skills with occupations troubling. The tone of the document on scarce skills rhetoric and other education department initiatives, such as the decade of the artisan, indicate that South Africa is in dire need of semiskilled workers and artisans. The analysis, pointing to growth, wage growth, high and medium – skilled occupations

such as managers and so on in the tertiary sector economic activities, suggests that the liberal arts and pre – professional degrees are very valuable to the country, but the document pays scant reference to these important variables. In reality it does the country great harm. The education department's scarce skills list acknowledges that many skills are transferrable (For example chartered accountants). The list considers this phenomenon to be an aberration, but Ngcwangu and Balwanz [26] argue that "not only do individuals often have scarce skills in many fields, but many skills are also transferrable across occupations and fields. In the modern economy, it is possible for an individual to have multiple careers. Equating skills with formal occupations offers many drawbacks. It must be equated by the department of education in terms of knowledge and cognitive processes rather than markets and occupations, and preferably in smaller quanta. In a democratic society, it is also important to ask who is not included when skills are defining skill and scarcity."

The interests of several groups do not appear to be represented in the scarce skills publication, including workers in the informal sector, unemployed, underemployed and casually employed workers and other categories. This is an indictment to scarce skills shortages in the country and does not assist transformation and does not deal with the crucial aspects of management training at all levels. In reality, it is left to the market. A more inclusive approach to determining skills shortage according to Ngcwangu and Balwanz [26] would be "to identify democratically social development priorities and educational interests as well as citizens' nonmarketable activities and priorities. Such an activity could result in a different list of scarce skills. The education department's narrow and non-inclusive conceptualization of skills is intimately related to the problematic theoretical foundations on which the skills discourse rests." Since the early 1960's liberal economic approaches to studying the relationship between education and the economy have coalesced around a philosophy of human capital theory that, privileges the productive aspects of education and those aspects that advance employability and all of this including the New Growth Path are grounded in the rhetoric of human capital theory. In this regard Salim Vally and Enver Motala argue that "human capital theory argues in favour of empirically unsound assumptions about the relationship between

education, skills and the economy. Simply put, supply - side skills development has not been shown to create new jobs and grow economies" (Vally and Motala, 2014, in review by Karodia, 2014) [7,2]. It must be noted that this critique has been ignored by post – apartheid education policymakers and that vocational education is fundamental to solving unemployment problems but unemployment is not primarily the concern of education.

It appears that there is a fixation on the part of South Africa's higher education department that vocational education must be given more money for curriculum reforms, capital investment and training. According to Ngcwangu and Balwanz [26] "the latest proposals are not significantly different to previous reforms and, it is likely that they will fail again because they do not and cannot address the underlying problems of society." The disciplines of human capital theory in South Africa seems to understand unemployment as a failure of education, a scarcity of skill, a mismatch, a gap and the absence of this skill gap is therefore, the main cause of unemployment. Simply put the government and its Ministry of Education do not really understand or have projected narrowly in terms of the intellectual capacity necessary to fully appreciate the exogenous economic factors which have been treated as secondary to this important and fundamental problem. The methods, consultations and literature review as explained by Ngcwangu and Balwanz [26] that "were used to create the scarce skills publication privilege government – articulated priorities and those of industry and capital, and the use of data favouring professional occupations." However, in spite of this reality the government has also not fully appreciated the importance of the MBA and management qualifications and its importance to skills in South Africa. In so doing the Ministry of higher education has not factored in the importance of private higher educational institutions and the traditional universities can play in turning around the deficiencies being experienced with regards finance and management, essential to the development of Black businesses and entrepreneurs in South Africa, given the backlogs caused by apartheid education. In the face of very limited recovery from the financial crisis, a projected GDP growth of 1, 4 percent, unemployment of plus / minus 25 percent or more, the increasing challenges facing companies, competing against imports, a lack of management skills, the demand for new management skills in terms of replacement

demand, the MBA and Business Schools both private and public must be recognized by government to play a pivotal role in management and entrepreneurial development in South Africa. [26].

All of this is also vital for purposes of training the management echolons of the country and very important to the growth sector. It is most clear from all the data and analysis presented that there is a dissonance between the department of education's scarce skills publication, and other analyses and post – school education data. This is and must be considered a very serious problem and therefore, intervention will require a greater understanding and a reworking of the document sent out for inputs to the public in respect to scarce skills and the training requirements of the country. The current and proposed policies will certainly not deal adequately nor respond to market identified vacancies and is thus an inadequate policy response, on the basis and especially, if government seeks to respond to the needs of the more than seven million unemployed. There is therefore no doubt, as the discussion in this paper has continually pointed out that post – schooling institutions and the education department must clearly project upon and understand the crucial nature of leadership and by implication and necessity play a pivotal and, leading role in human development, the promotion of business and entrepreneurial development, including community development and more importantly skills development. There is therefore no doubt that there are severe problems in the department of higher education's policy trajectory and this must therefore, create the opportunity for a broader and more sustained and acceptable democratic discussion of skills and skills development, in order to roll back the frontiers of high unemployment, coupled with widening poverty and greater inequality, in a country of plenty and which can provide a myriad of opportunities, in order to address the manifest problems in education and training that confront the country.

15. HOW MUST MBA'S AND MANAGEMENT DISCOURSE EVOLVE IN SOUTH AFRICA

The original MBA's, proliferated across the United States and Europe and with time moved outwards to Africa and Asia and, primarily focused on the financial aspects. However, given the discussion in this paper, it has to be

acknowledged that a host of multiple industries can and should benefit from the analytical tools necessary for key management functions in South Africa. For South Africa, given its history of exclusion and poor access to MBA programmes, there is an essential and fundamental need to develop managerial skills which is clearly lacking. This must be done for all industries. Professional management is essential in order to grow the economy and compete professionally. The MBA has to deal with a new type of entrepreneurial ethos and, to this end the Regent Business School is on the verge of building a state of the art entrepreneurial learning center that should open towards the first quarter of 2016. There has to be international and local sustainability coupled with entrepreneurship and ethics and geared towards the aim of serving the people of South Africa in terms of developing business acumen and creating new opportunities, in order to stimulate economic growth and to promulgate new MBA graduates and others interested in business and allied fields of study.

In crystallizing the main thrusts of the entrepreneurial center, it is imperative that the Regent Business School has acknowledged the need to add a host of new offerings in a post – crisis economic and financial crisis that, has affected the country and its citizenry. The aim is to create a potable MBA and other certificate, diploma and executive entrepreneurial training programmes. Another aim that is being viewed by the Regent Business School is that students must be allowed to study through its new entrepreneurial center via self – managed distance learning with some experiential training through observation in entrepreneurial laboratories, which for all intents and purposes will offer academic support, contacts and advise in respect to chosen learning areas. It must provide a vehicle for the unemployed and those that lack the necessary experience who do not find acceptance readily to a business school. It will also create an opportunity to foster executive training in various directions of entrepreneurship studies. The aim is to allow students and participants to engage the issues that permeate entrepreneurship but more importantly to think critically in business terms. One will thus be in a position to engage locally and also operate globally and within the regional context, fully operate in a multicultural environment and understand the role of markets, business and society. In this regard Jonathan Moules [27] states that “the smart up hopes gamification and flexibility will prove a compelling offering for

entrepreneurs, and widen access to business education.” This is precisely one of the objectives of the new entrepreneurial centre envisaged by the Regent Business School. The entrepreneurial centre will be equipped with machinery and will use app technology and other computer technologies, in order to give the student an opportunity to engage with the ever changing world of business and, thus provide a rich exposure to the latest tools necessary to understand the challenges of higher education, to understand the requirements of business and, how to engage and use this technology to enhance business acumen and, thus consolidate the teaching and learning exercise from the perspective of technology that will harness the formal teaching models and incorporate practical experience and, allow for critical thinking. The entrepreneurial center at Regent must be in a position to create new business insights within the paradigms of systems thinking and exemplify the fundamentals of leadership discourse within business and entrepreneurship, by virtue of understanding the key role of the individual entrepreneurs and, of groups as organizational leaders within the broader South African society.

In honouring the legacy of a hero of the struggle against apartheid and a treason trial accused, the late Dr Chota Motala was honoured by the Management College of Southern Africa (MANCOSA), a private higher Education College and Private Business School, (Fully registered with the Department of Education and the regulatory authorities of South Africa) at its headquarters in the port city of Durban, in the KwaZulu – Natal Province on the 6 / 7 of November, 2014. The glamorous occasion in the new State of the Art Graduate School of Business Facility (GSB) was graced by the South African struggle stalwart Ahmed Kathrada, who was imprisoned with Nelson Mandela and spent 26 years in prison, the Treasurer General, Zweli Mkhize of The African National Congress (ANC), was the key note speaker at the launch of the Chota Motala Auditorium at the Mancosa GSB, including, the youngest treason trial accused Mosie Moolla and Durban’s who’s who. The Treasurer General of the ANC (2014) said that “We must all uphold the human values that Chota Motala espoused and paid tribute to the inspirational leadership, diplomatic skills and his commitment of serving others. Our country needs to invest in leaders who understand that to build a winning nation; we need competitiveness based on efficiency, professionalism and competence as the basis of any public or private

responsibility in office. We need to stamp out leaders who see public positions as an avenue to satisfy personal greed – those whose soul interest in power is personal enrichment. This applies to leadership in general, be it elected political, civil service, private sector or civil society. We must all emulate his (Chota Motala's) selfless attitude and compassion for people." This statement is embodied in the MBA offerings that Mancosa provides in a transforming South Africa and it is in pursuit to enhance these values in its curriculum. These values are sorely lacking in democratic South Africa at the moment.

This State of the Art Graduate School of Business must be credited to the vision of Mancosa's Chief Executive Officer Professor Yusuf Karodia who was a former education specialist at the University of Durban Westville and a teacher. Mancosa's broad array of academic offerings starts from "certificate programmes to an MBA. Since 2010 Mancosa has been offering long – distance learning programmes to students in other parts of Africa including Botswana, Zimbabwe, Zambia, South Sudan and other African destinations" [28]. This must be recognized by government and more encouragement is required by the bureaucracy to stimulate such higher education private institutions that receive no support from government in the form of subsidies or for that matter placement of students, in a country that is crying out for access, which the government cannot cater for. Its doors are opened to all and it plays a vital role in the development of management discourse in the country and trains large number of students who acquire an MBA from this accredited and registered higher education institution. It has created a brand name for itself and attracts students from all race groups and differing backgrounds. "This exemplifies its strength and it is growing on a daily basis and its reputation of providing outstanding management courses is well documented, in its two decades of existence. Above all Mancosa embodies free thinking and the opening of its new GSB at a high monetary cost was most fitting for its more than 20 years of existence and, it was fitting that so many luminaries of the anti – apartheid struggle were present, because in recalling the legacy of Dr. Chota Motala, it signaled its commitment to the historical development of higher education and, signaled a gathering of momentum for the economic transformation of the country and, it charters and shows clearly, the importance of

management training and acquiring an MBA is essential for the success of business, the public and private sectors and for the development and transformation of the country" [28].

The salient issues enumerated below must be given attention by government in South Africa in terms of the discussion undertaken in this paper. A brief summary is as follows:

- It is a case of government and, it's Higher Education Ministry to recognize the contribution of such institutions, to the development of South, Southern Africa and, in some measure their contribution to the concepts of management and, its importance to South Africa as a developmental state.
- That such private higher education institutions by creating state of the art facilities contribute to the development of the country and must therefore, be recognized and validated by the government of the day and, in reality be celebrated by the Ministry of Higher Education, in a country that is attempting to wipe out the apartheid legacy of the past.
- Business Schools in South Africa must live the legacy of those that liberated the country and adapt from the heroes of the liberation struggle their life – long experiences, the concepts of social justice, economics, cultural nuances and political thrusts which must be taught in MBA programmes.
- The investment being made by some of these private higher educational institutions is a move in the right direction and, is exemplified by both Regent and Mancosa, as young and dynamic business institutions in terms of the development of the state of the art facilities towards infrastructure development and, there is no doubt that all of this will impact positively on the country from a perspective of higher education discourse in business and other fields of higher education and, therefore, such investment must be celebrated by government in a period of transformation in South Africa.
- These private higher education institutions have come to the party at a time when South Africa needs them most given the crisis of access to education being experienced and, it appears that, the Ministry of Higher education is in a state of

denial about this reality and, therefore, the time has come for government to use the facilities and expertise of private higher education institutions to close the gap of access into institutions of higher learning and more importantly both the government and the private sector must support these institutions for purposes of training their workforces and employees within the public sector and within municipalities.

- Such institutions can play a pivotal role in breaking the gate keeping being perpetuated by the mostly former traditional White universities and, by implication in maintaining the status quo, once and for all. This can be achieved and must be achieved, if South Africa's education transformation is to be successful in meeting the policy imperatives that government has defined but not fulfilled meaningfully.

In the context of South Africa, the MBA is here to stay. Its importance to the development of a country in transition cannot be underestimated. Business Schools in South Africa have been making efforts to deliver course material that is relevant and the MBA'S and this has shown phenomenal growth in Africa as the premier business qualification and, has the potential in the Southern African educational space to reach a much wider audience. Some may argue that the MBA is time consuming and irrelevant. This is far from the truth and not articulated well. In fact, it is a question of need in South Africa, given the massive exclusion during the apartheid era and, its ramifications have wreaked havoc on the business emergence and economic potential of the country. To this must be added the usefulness of the distance and blended mode of delivering the programme, which makes access much easier and, more than affordable to study, because the tuition fees of distance MBA programmes offered by Regent and Mancosa are much cheaper than the traditional universities that charge exorbitant fees and, thus maintain the status quo of exclusion and denying access. Such a mode must therefore attract those that have shunned conventional education and, this mode provides a way of dealing with the management shortages being experienced in South Africa and contributes to raising the much required skills.

16. CONCLUSION

It is not a question of competing with other providers of the MBA programme and providers

of undergraduate degree programmes, diplomas and certificates in South Africa, but to discuss the options of the importance of the MBA degree to South Africa, given its past history and thus contribute to the development and training of an important base of managers that is urgently required in the country. "The platforms of these private higher education institutions in the form of Business Schools is designed for purposes of allowing access, maintaining quality and most importantly to attempt to resolve the chronic and acute human resources capability in South Africa and, It is aimed at repackaging the MBA programme to become more relevant to the needs of the student, to the needs and sensitivities of South Africa and for economic growth and development" [27]. It is therefore, necessary for the Ministry of Higher Education to understand and appreciate that, it is essential that they support such institutions in terms of their goals and objectives of serving South Africa and, the aim of such institutions have as a goal (Regent and Mancosa) to take business education well beyond the traditional target market for MBA courses and must include the founders and new entrants into business of fast – growing Black businesses, in terms of the entrepreneurial dynamics that, is so essential in the empowerment process of those historically denied access and totally marginalized from the perspectives of business relationships in terms of its importance to their development and the development of the country as a whole. It is necessary that government understands these aspects and the issues raised in this paper. The MBA and management qualifications are therefore most relevant to South African development, its economic growth and it's imperative to train managers that can deal with all aspects of business and management in both the private as well as public sectors, in order to deal with poverty, inequality and unemployment and to participate with confidence and meaningfully in the 21st century, without let or hindrance, in order to engage the subtleties of business and thus contribute to the success and prosperity of a country that is pregnant with opportunity. Management training in general and the MBA degree is an important variable and its magic and relevance for South Africa has only now begun.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Anis Mahomed Karodia, et al. Rural Education and Economic Development. Singaporean Journal of Business Economics and Management Studies. The paper was used as background reading by the authors. 2013;2(4):43–56.
2. Anis Mahomed Karodia, Dhiru Soni. Some Issues That Permeate Higher Education Discourse in South Africa. Requiring Attention by Traditional Universities and Business Schools. Kuwait Chapter of Arabian Journal of Business and Management Review. 2013;3(2):28–42. October. Barkhausen How will the MBA shape in 2015?; 2015.
Available:<http://www.ft.com/cms/s/2/d362da60-8541-11e4-ab4e-00144feabdc0.html#ixzz3MuquA1zC>
3. Salim Badat. The State of South African Higher Education. Vice Chancellor. Rhodes University. Grahamstown. South Africa. Unpublished Manuscript; 2010.
4. Patrinos A, et al. World Bank Report on Education in Developing Countries. Washington. D.C. United States of America. 2009;4(3).
5. Anis Mahomed Karodia. Basic education or school going education for South Africa: Privatization versus the public good. Kuwait Chapter of Arabian Journal of Business and Management Review. The paper was used as background reading by the authors. 2013;3(3):67–83.
6. Joel Samoff. bantu education, peoples education, outcomes education. educational change in South Africa. Sense Publishers. University of Witwatersrand. Johannesburg. South Africa; 2008.
7. Vally S, Motala E. Unite the head and the hand. Referenced in 17 above by a Review undertaken by Anis Mahomed Karodia; 2014.
8. Salim Vally, Enver Motala. Unite the Head and the Hand. A review by Anis Mahomed Karodia. International Journal of Afro – Asian Studies. 2014;5(1– 2). Brown Walker Press. United States of America. 2014; 5(3):111–122.
9. Gerder Bender, et al. Service – learning in the curriculum: a resource for higher education institutions, Pretoria, South Africa. Council on Higher Education. Unpublished Manuscript; 2007.
10. Jansen JD. Changes and continuities in South Africa’s higher education 1994 – 2004. In L. Chisholm (Ed.), Changing class. Education and social change in post-apartheid South Africa. Pretoria, South Africa. HSRC Press; 2004.
11. Holland BA. Reflections on community – campus partnerships: What has been learned? What are the next challenges? Monograph. Ann Arbor. Michigan. University of Michigan. United States of America. 2005;5(4):11.
12. Crozier M. The bureaucratic phenomenon. Chicago. University of Chicago Press. United States of America. First Edition. 1964;22–35.
13. Dooley J. A whole person/ systemic approach to organization change management; 1998.
Available:www.well.com/uswer/dooley/change.pdf (February 15, 2007)
14. Fullan M. Leading in a culture of change. San Francisco. Jossey Bass. United States of America. 1983;1(First Edition):32–45.
15. Goodson IF. Social histories of educational change. Journal of Educational Change. 2001;2(3):45–63.
16. Shaikh Ahmed, Anis Mahomed Karodia, Joseph David, Dhiru Soni. Private Providers Can Widen Access to Higher Education in South Africa: A Fertile Idea Whose Time has come. Internal Publication of the Regent Business Schools Research Directorate. Unpublished Manuscript. 2015;1–8.
17. Shaikh Ahmed, Anis Mahomed Karodia, Joseph David, Dhiru Soni. Private providers can widen access to higher education in South Africa: A Fertile Idea Whose Time has come. Internal Publication of the Regent Business Schools Research Directorate. Unpublished Manuscript. 2015;1–8.
18. Jordan M. Bridge the vast university divide. Mail and Guardian. Johannesburg. South Africa. February 27 to March 5. 2015;37.
19. Gwebs Qonde. Employers, colleges must join forces. Background reading by authors. Mail and Guardian. November 21 to 27. Johannesburg. South Africa. 2014;43.
20. Brenda Cooper, Brenda Morrell. Inside Africa’s search for meaning. Supplement to the Mail and Guardian. Getting Ahead. Mail and Guardian. September 5 to 11. Johannesburg. South Africa. 2014;1–2. (Also published as book titled: Africa – Centred Knowledge: Crossing Fields and

- Worlds Elijah Litheko. The changing world of work. IPM Convention. Mail and Guardian Advertising Supplement. November 14 to 20. Johannesburg. South Africa. 2014;1.
21. Terence Tse, Mark Esposito. The MBA is losing its magic: Is a management degree the right type of investment for students today? The Financial Times Limited; 2015. Available:FT.com
 22. Aljazeera News. The Outcome of the Elections in Greece: An analysis; 2015.
 23. Institute of People Management. xHuman capital leading the future. Pretoria. South Africa. November. 2015;2(3):3.
 24. Raj Seeparsad. Understanding business challenges. IPM Convention. Mail and Guardian Advertising Supplement. November 14 to 20. Johannesburg. South Africa. 2014;1–2.
 25. Pieter Haen. HR has a critical role to play in business. Address by the President of the World Federation of People Management Associations (WFPMA). IPM annual convention. Sun City, North West Province. South Africa. November; 2014.
 26. Ngcwangu S, Balwanz D. How can we meet our skills needs if we don't know what they are? Mail and Guardian. November 28 to December 4. Johannesburg. South Africa. 2014;42–43.
 27. Jonathan Moules. MBA? There's an app for that. Financial Times December. 2014; 1–2.
 28. Sandile Ngidi. Free thinking at heart of Mancosa's 20th birthday: Mancosa embodies dream of education open to all. Sunday Tribune. Business. Durban. South Africa. November 16. 2014;6–7.

© 2015 Karodia et al.; This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Peer-review history:

The peer review history for this paper can be accessed here:
<http://www.sciencedomain.org/review-history.php?iid=1175&id=21&aid=9594>